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THE CITY AND COUNTY OF **SAN FRANCISCO** | CAPITAL PLAN

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2011/
2020

FY2011-2020





City and County of San Francisco

Capital Plan Fiscal Years 2011-2020

**Approved by Mayor Gavin Newsom
&
The Board of Supervisors
April 27, 2010**

Copies of this document can be found at www.sfgov.org/cpp or through
The Capital Planning Program
City and County of San Francisco
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OFFICE OF THE CITY ADMINISTRATOR

Gavin Newsom, Mayor
Edwin M. Lee, City Administrator

May 12, 2010

The Honorable Gavin Newsom
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: City and County of San Francisco Capital Plan FY 2011–FY 2020

Dear Mayor Newsom and Members of the Board of Supervisors:

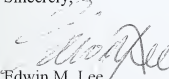
The FY 2011-2020 Capital Plan recommends \$27 billion in capital investments to safeguard and improve the City's infrastructure, including investments in core government services such as street resurfacing, public health and safety improvements, park repairs, and major capital work in the City's enterprise departments and partner agencies.

The Plan represents the City's commitment to address its most critical infrastructure needs in a fiscally responsible manner. It promotes projects that cannot afford to wait while preserving policies to keep property tax rates below 2006 levels and limit the issuance of General Fund revenue bonds to 3.25 percent of discretionary revenue. Recent upgrades in San Francisco's bond rating by all three of the major rating agencies show that this approach, combined with similar efforts including the rainy day fund, are working.

With an economy that continues to struggle and an expected budget deficit of \$483 million for the next fiscal year, it is important that policymakers have the Capital Plan to guide them when making funding decisions.

Additional copies of the FY 2011-2020 Capital Plan can be found at www.sfgov.org/cpp or by contacting the Capital Planning Program at (415) 557-4700.

Sincerely,



Edwin M. Lee
City Administrator

San Francisco's Ten-Year Capital Plan Governance Structure


In August 2005, concerns from city leaders, citizens, Mayor Newsom and the Board of Supervisors culminated in Administrative Code Sections 3.20 and 3.21 requiring the City to annually develop and adopt a ten-year constrained capital expenditure plan for city-owned facilities and infrastructure. The code ensures the Plan's relevance by requiring that all capital expenditures be reviewed in light of the adopted capital expenditure plan.

The Capital Planning Committee (CPC) approves the Capital Plan and makes recommendations to the Board of Supervisors on all of the City's capital expenditures. It consists of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan.

A copy of Administrative Code Section 3.20 and 3.21 is in the appendix of this report. It can also be found along with additional information on the Capital Planning Committee and program at www.sfgov.org/cpp.

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Executive Summary

Introduction

This fifth edition of the City and County of San Francisco's Capital Plan (the Plan) is released amid unprecedented budget shortfalls, historic volatility in the capital markets, and heightened uncertainty about our economic future. Five years ago this Plan represented a return to recovery after decades of underfunding our infrastructure. The City has since passed its first General Obligation bonds in eight years, secured \$175 million in federal stimulus funds, fully funded its streets program, broken ground on or opened a wide range of new libraries, parks, hospitals, pipelines, transit lines, and museums, and increased the funding of our annual renewal needs.

This Plan continues this commitment by recommending \$17.8 billion in direct City and County investments and \$9.0 billion from closely related external agencies, for a total of over \$26.9 billion in capital improvements that create more than 190,000 local job years over the next decade (see Appendix B for more information on the job estimation methodology). The Plan is not merely a wish list or even a simple description of need. It is practical and fiscally constrained, prioritizing key projects and deferring those without realistic funding sources.

The current recession, however, threatens to slow this progress. Continued General Fund (GF) deficits and decreased investments in capital will increase the City's already large backlog of routine repair and renewal needs. Last year's reduced capital budget alone deferred the point when investments catch up to annual needs by two more years. Assuming we invest the \$67 million in FY 2011 and increase that amount to \$165 million by FY 2020 as the Plan recommends, we will still not meet our annual renewal needs until 2025. Not only does this prevent the City from maintaining its infrastructure in a state of good repair but it makes those same repairs more expensive in the future as construction costs increase and small preventative repairs become larger and more expensive replacements. This means that a dollar spent today can equal five dollars spent ten years from now.

Capital Plan Summary by Department Type
(Dollars in Millions)

	GF	Enterprise	External	Total
Public Safety	1,472			1,472
Health & Human Services	661		80	741
Infrastructure & Streets	722	6,418	766	7,906
Transportation		6,986	4,020	11,005
Recreation, Culture & Education	567		894	1,461
Economic & Neighborhood Development	120	688	3,283	4,090
General Government	208			208
Total	3,750	14,091	9,042	26,883

The table above shows GF investments of \$3.8 billion for core services that people expect the City to provide, including rebuilding San Francisco General Hospital, upgrading library and park facilities, replacing the Hall of Justice, repairing the high-pressure fire hydrant system, repaving streets, and removing barriers to accessibility. In addition to the GF

investments, the Plan recommends nearly \$14.1 billion in Enterprise department projects to continue major transit and water projects such as the Central Subway, Airport Terminal 2, Wastewater Master Plan and the Water System Improvement Program (WSIP).

The previous table also shows \$9.0 billion in capital improvements by agencies closely related to the City and County of San Francisco but governed by an external body. These are primarily for major economic development projects in Bayview Hunter's Point, Mission Bay and Treasure Island, the Transbay Terminal, Caltrain, Doyle Drive, Bus Rapid Transit, the Unified School District, and the Housing Authority.

The table below shows capital investments in five-year intervals. Similar to previous years, two-thirds of capital spending (\$17.5 billion) occurs in the first half of the Plan.

Capital Plan Summary in Five-year Intervals (Dollars in Millions)			
	FY 2011 - FY 2015	FY 2016 - FY 2020	Total
Public Safety	1,353	118	1,472
Health and Human Services	586	156	741
Infrastructure & Streets	5,300	2,605	7,906
Recreation, Culture & Education	1,298	163	1,461
Economic & Neighborhood Development	1,907	2,183	4,090
Transportation	6,957	4,048	11,005
General Government	94	114	208
Total	17,496	9,387	26,883
General Fund Departments	2,830	920	3,750
Enterprise Departments	8,862	5,229	14,091
CCSF Subtotal	11,691	6,150	17,841
External Agencies	5,804	3,238	9,042

Accomplishments in FY 2009-2010

Accomplishments related to capital planning over the previous year include the following:

- Receipt of \$175 million in stimulus funds for capital projects as part of the \$787 billion American Recovery and Reinvestment Act (ARRA). San Francisco has received funding for roads, public transportation and airports, and environmental and energy projects, including:
 - » The installation of an explosives detection system as part of the Airport's Terminal 2 Redevelopment project;
 - » Upgrading Pier 45 with a new stormwater collection system that will reduce pollution in the Bay;

ARRA Capital Funding by Category (Dollars in Millions)	
Public Safety	0.9
Health & Human Services	2.0
Infrastructure & Streets	63.7
Transportation	104.6
Economic & Neighborhood Devlp	3.3
Recreation, Culture & Education	0.1
General Government/Other	0.2
	174.7

To learn more about the projects, please visit recovery.sfg.org.

- » Energy efficient retrofitting of City facilities that serve the community including health and cultural centers, correctional and reentry facilities, and the Ella Hill Hutch Center;
 - » Upgrades to industrial equipment at the BAE shipyard, including repair facilities and drydock;
 - » The 7th Avenue & Laguna Honda Pavement Renovation Project; and
 - » The Doyle Drive Replacement Project (the Presidio Parkway).
- Qualification of the Earthquake Safety and Emergency Response G.O. Bond on the June 2010 ballot. The bond will retrofit the Auxiliary Water Supply System for firefighting, improve neighborhood fire stations, and construct a Public Safety Building housing district Police and Fire stations and a new Police Command Center. This is the first of several future bond measures to address the City's emergency response infrastructure needs;
 - Pavement of nearly 300 City blocks and installation of nearly 900 curb ramps;
 - Groundbreaking of several major projects including the new acute care wing at San Francisco General Hospital, the PUC headquarters at 525 Golden Gate Avenue, and the approach to the Golden Gate Bridge on Doyle Drive (the Presidio Parkway);
 - Significant progress on the Branch Library Improvement Program including three groundbreakings at Ortega, Visitacion Valley, and Bayview branch libraries; the start of five renovations at Park, Presidio, Golden Gate Valley, Anza and Merced branch libraries; and the grand re-opening of four branch libraries in Ingleside, Eureka Valley, Bernal Heights, and Potrero;
 - Opening of the Harvey Milk Center, Hamilton Pool and Recreation Center and Sunnyside Conservatory;
 - Completion of the final report "Strategies for Funding Public Improvements in the Eastern Neighborhoods Area Plans" for the Eastern Neighborhoods Infrastructure Finance Working Group; and
 - Completion of a fact sheet and interactive map describing the City's 180 seismic improvement projects since the Loma Prieta earthquake in October 1989.

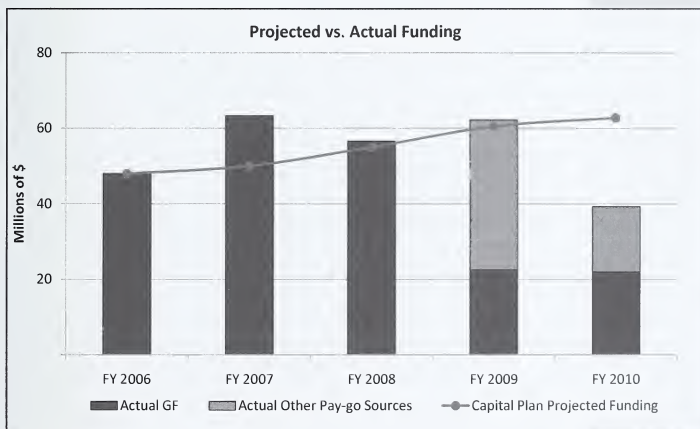
Challenges

In addition to the accomplishments listed above, the City faces two key challenges to its ability to improve physical assets going forward:

1. Continued commitments to investing in basic capital infrastructure despite looming state and local budget deficits; and

2. Public confidence, awareness, and support of the Capital Plan, the remaining proposed bonds, and the City's ability to preserve its infrastructure and deliver high quality capital projects.

Addressing this first challenge requires increasing creativity and strategic thinking. For each of the last four years, the CPC has approved and the Mayor and Board have adopted the policy to increase General Fund commitments ten percent per year to eventually meet our annual capital needs. However, a FY 2009-2010 revenue shortfall of \$438 million resulted in drastic cuts to the capital budget for the second year in a row, as the chart below illustrates. Actual other pay-as-you-go funding in FY 2008-2009 and FY 2009-2010 (shown in light gray) are one-time sources that include the Capital Planning Fund, Sustainable Energy Account, Gas Tax Certificates of Participation, and funding from the Redevelopment Agency.



The decision to underfund the City's annual renewal needs has long-term effects. This plan defers \$183 million more annual needs than last year (a 33 percent increase). The City is investigating all avenues to address these reductions within the capital budget, including the following: analyzing the local economic impact of capital spending, leveraging the value of City-owned assets as a debt-financing vehicle, forming public-private partnerships, preparing projects for voter consideration at the ballot, and working to secure funds from the \$787 billion American Recovery and Reinvestment Act and other sources.

Opportunities

However, this adversity is not without opportunity. A positive effect of the struggling economy has been a dramatic improvement in the bidding climate. Project budgets developed before the crash are now seeing significant savings as limited work has increased competition among potential contractors. The table below shows these savings. This has allowed the City to complete more for less and has created a financial incentive to complete as much work as possible while the bidding climate remains favorable.

Project/Program	Estimated Budget	Bid Amount	Savings	
525 Golden Gate	30,683,789	26,410,455	4,273,334	14%
SFGH Rebuild	116,749,401	104,979,895	11,769,506	10%
Branch Library Improvement Program	30,598,751	24,403,970	6,194,781	20%

The City has undertaken several efforts to address the second challenge of improving public confidence, awareness, and support of the Capital Plan. First, the City has improved its cost estimation and project delivery methods and continues its commitment to pre-ballot planning investments in major capital projects financed with General Obligation (G.O.) bonds. These investments, made prior to a bond measure's placement on the ballot, increase the accuracy of cost projections; reduce delays associated with conceptual design, permit approvals, and environmental clearances; and improve the City's ability to deliver projects on time and on budget. The City invested \$24 million in the General Hospital Rebuild project before it reached the ballot. Similarly, the City will have spent approximately \$8 million on the Earthquake Safety and Emergency Response Bond prior to voter consideration in June.

The City is also taking steps to better understand public priorities and improve accountability in the capital program. Public opinion research was recently conducted to test assumptions in the Plan, gauge support for various bond measures, and identify citywide capital priorities. This research provides valuable information on how the City should proceed prior to making large investments. It also informs the City on the public's awareness of capital planning efforts and priorities with respect to the type and level of capital investment they would like the City to pursue.

Other accountability and transparency measures include:

- the formal adoption of five funding principles (see Appendix C) to guide the approval of requests and provide additional transparency with respect to why certain projects are chosen over others;
- the funding of independent audits by the Citizen's General Obligation Bond Oversight Committee and the development of unprecedented levels of community involvement

Progress Since Loma Prieta: 180 Seismic Projects in 20 Years

The 20th anniversary of the Loma Prieta earthquake on October 17, 2009 served as a strong reminder of the importance of seismically strengthening our public assets. While much work remains, in the last 20 years the City and County of San Francisco has completed 180 major seismic retrofits or total replacements of public facilities and an additional 44 are currently in progress. Many of these improvements and remaining needs are shown on the map below.

Retrofit or replacement projects range from small but critical pump stations and transmission mains to essential facilities like police and fire stations and the 911 Emergency Operations Center, and signature properties such as City Hall; the Ferry Building; the Main Library; the Academy of Sciences, Asian Art, and DeYoung Museums; and the International Terminal at SFO. Over a quarter of these projects addressed buildings with the worst seismic hazard ratings of a 3 or 4, which otherwise were highly likely to collapse in or be inoperable after an earthquake.



Seismic Projects Since Loma Prieta (over \$2 Million)

- Health & Human Services
- ▲ Public Safety Facilities
- ◆ Utility Infrastructure (PUC)
- Recreation and Culture
- Office and Support
- ◇ Transportation (Port, MTA, SFO)
- + Remaining Facilities with Seismic Needs

and project transparency in bond development; and

- the creation of more accessible public information such as an improved website, high-level summaries of the key elements of this Capital Plan, and other avenues to reach a broader audience.

Changes in the FY 2011-2020 Capital Plan

An advantage to annual updates of the Plan is that they provide the opportunity for refinements based on changing conditions and better information. Significant changes this year include:

- Restructuring of the debt program, including removal of the Safe Streets and Road Repair bond and the Park System revenue bond and deferral of debt issuance to seismically retrofit the Veteran's Building and replace Jails #1 and #2 at the Hall of Justice.
- Shifting of near term, funded projects proposed by neighborhood Area Plans from emerging needs in the Planning Department chapter to funded projects in the chapters of the departments responsible for implementing them.
- Creation of a new graphic look and feel for all capital work undertaken by the City including standardized construction signage, style guides and design templates, and the identification of a new slogan and tagline: OneSF, Building Our Future.
- Refinements to project cost estimates throughout the Plan, including components of the June 2010 Earthquake Safety and Emergency Response Bond.

General Fund Department Program Summary
(Dollars in Millions)

RENEWAL INVESTMENTS		Funded	Deferred
Today's Backlogs			
Facilities			270
Streets			533
Other right-of-way assets			45
	Subtotal		848
Projected for Next Ten Years			
Facilities		580	428
Streets		470	213
Other right-of-way assets		166	101
	Subtotal	1,216	742
Subtotal, Renewals		1,216	1,590
CAPITAL IMPROVEMENT INVESTMENTS		Funded	Deferred
Earthquake & Public Safety Improvements			
SFGH Rebuild		459	
Critical Firefighting Facilities & Infrastructure		183	
Auxiliary Water Supply System Core Facilities Upgrade		34	
Auxiliary Water Supply System Pipeline Improvements		80	
Public Safety Building - New Mission Bay Fire Station		18	
Public Safety Building - SFPD Headquarters & Southern Station		220	
Forensic Sciences Center (Crime Lab/Medical Examiner)		240	
HOJ Local Justice Agencies & SFPD Investigations Unit			475
County Jails 1 & 2 Replacement (HOJ)		482	
HOJ Traffic Division Relocation		30	
Veterans Building Seismic Renovation & Opera House Addition		190	
DPH Administration Building Seismic Bracing			122
Seismic Upgrade of remaining SFGH & LHH facilities			457
Seismic Upgrade and Renovation of Corporate Yards			84
	Subtotal	1,935	1,137
Disability Access Improvements			
Facilities		25	
Curb Ramps		82	
	Subtotal	108	
Parks, Open Space & Greening Improvements			
Systemwide Parks improvements		187	
Marina Yacht Harbor Renovation		27	
Great Streets Program		1	495
Better Market Street		2	235
	Subtotal	217	730
Other Improvements			
Wholesale Produce Market Expansion		65	
Data Center Relocation		12	
Convention Center Improvements		43	
Consolidation of Family Court Services at YGC Campus		100	
Hidden Valley Ranch & Log Cabin Ranch Improvements			165
Replacement of the Youth Guidance Center Administrative Building			73
Utility Undergrounding			720
Cultural Center Upgrades			96
Islais Creek Bridge			66
Other projects		53	406
	Subtotal	274	1,525
Subtotal, Enhancements		2,534	3,393
PLAN TOTAL		3,750	4,982

General Fund Department Program Summary

The Plan proposes investments of \$3.8 billion to meet critical renewal and enhancement needs for General Fund facilities and infrastructure. The table on the previous page shows funded and deferred capital projects for General Fund departments over the next ten years. This list is not exhaustive. The Emerging Needs section at the end of most chapters identifies projects that still need further cost or project development.

General Fund Program Highlights

Funded projects on the General Fund Summary table on the previous page are based on available resources and prioritized according to the funding principles discussed earlier in the Executive Summary. The Capital Plan addresses the following infrastructure needs:

- **Investments in renewal needs for facilities and streets.** Overall investment levels in the maintenance and renewal of facilities and rights-of-way increase gradually over the life of the Plan. Totalling \$1.2 billion in all sources, the proposed renewal investments capture 54 percent of the need in year one and 81 percent in year ten of the Plan. While year ten is an improvement over year one, not fully funding annual needs adds \$742 million to the existing facilities, streets, and right-of-way backlog of \$848 million.
- **Earthquake and Public Safety Improvements at Critical Facilities.** The Plan heavily prioritizes seismic and other public safety projects that ensure city facilities are seismically safe and operable after an emergency. These investments total more than \$1.9 billion. The highest priorities are projects in the June 2010 and November 2013 Earthquake Safety and Emergency Response G.O. bonds and the replacement of County Jails #1 and #2 now at the Hall of Justice.
- **Disability Access Improvements.** The Plan also prioritizes improving the accessibility of City facilities for the disabled. The FY 2009-10 capital budget appropriated about \$1.6 million for accessibility improvements at facilities citywide, 60 percent less than the \$4 million projected in last year's plan. Over the next four years, however, the Plan recommends \$25 million in General Fund dollars for the Americans with Disabilities Act (ADA) facility transition plan. This 69 percent increase in proposed investments is a result of needs at the SFGH campus, including new projects to upgrade Building 80 and 90 elevators. Additionally, strong investments in curb ramps continue at \$82 million over the next ten years.
- **Parks and Open Space Improvements.** This year's Plan proposes \$214 million in systemwide work, funded primarily with bond issuances from the 2008 Clean & Safe Neighborhood Parks bond and another \$150 million G.O. bond proposed for the November 2014 ballot.
- **Other Improvements.** Other investments proposed in the Plan include relocating the

City's data center, demolishing County Jail 3, expanding the Wholesale Produce Market, and consolidating the Family Court Services building at the Youth Guidance Center campus.

General Fund Pay-as-you-go Program for Annual Needs

The Plan proposes to fund pay-as-you-go or ongoing, annual needs with General Fund dollars. These are typically smaller investments needed to maintain facilities and infrastructure in a state of good repair. Totaling \$1.6 billion, the annual investment needs from the General Fund have increased approximately 43 percent from last year due to the loss of the 2009 Safe Streets and Road Repair bond as a possible funding source.

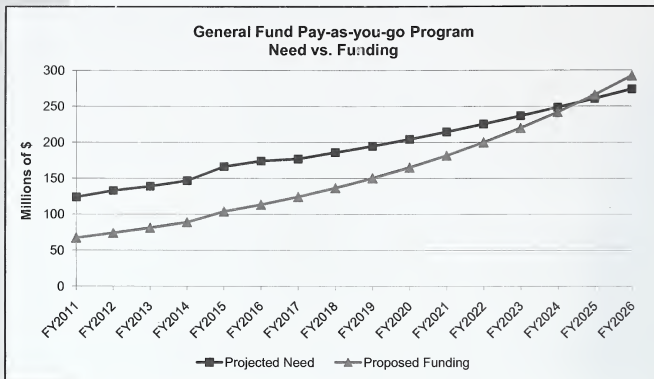
The Routine Maintenance, ADA Transition Plan, Critical Deferred Maintenance and Curb Ramps programs are all fully funded. Renewal funding, however, is allocated proportionate to overall need and is divided between facilities and streets and rights-of-way.

General Fund Pay-as-you-go Program Needs			
(Dollars in Millions)			
	FY11-15	FY16-20	Plan Total
Routine Maintenance	81	104	185
ADA Transition Plan	26		26
Critical Deferred Maintenance	26	34	59
Curb Ramps	33	40	72
Streets and Rights-of-Way	240	315	555
Facility Renewal	302	445	747
TOTAL	708	936	1,644

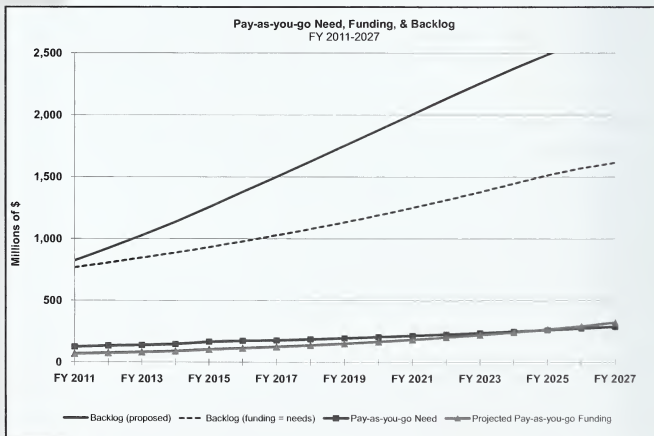
The Plan assumes General Fund pay-as-you-go investments of \$67 million in FY 2011, growing ten percent each year to accommodate both cost escalation and real growth toward meeting annual needs. These annual increases help extend the life of the City's aging facilities and roads, maximize the effective delivery of services, and keep repair or replacement needs from becoming more costly.

Two other efforts help the City close the gap between need and funding. The June 2010 and November 2013 Earthquake Safety and Emergency Response (ESER) G.O. bonds and the Tourist Improvement District (TID) Assessment shift renewal needs for police and fire stations and Moscone convention facilities off of the General Fund to more stable sources.

The graph below shows annual pay-as-you-go needs versus proposed funding; the two lines intersect in FY 2025. Even though these are among the highest proposed investments in City history, this funding level falls short of meeting needs and accelerates the growth of the existing backlog of deferred maintenance.



By the end of the Plan, the existing backlog and future deferred work grows to more than \$1.8 billion. In 20 years, it will reach a staggering \$2.9 billion. If funding equaled annual needs, the backlog in FY 2020 would only be \$1.2 billion, 37 percent less than what is proposed in the Plan. The graph below shows the relationship between proposed funding levels and backlog growth.



Debt Financing Program

Most of the capital improvement investments or enhancement projects outlined in the General Fund Summary Table on page 9 are funded with voter-approved G.O. bonds or General Fund commitments such as lease revenue bonds and certificates of participation (C.O.P.s). Debt financing is an appropriate means of paying for these improvements given their long useful lives and the fact that their project costs exceed the ability to utilize cash or pay-as-you-go revenue sources. The use of debt also serves to spread out the financial burden of paying for facilities between current and future generations that will both receive their benefits.

In 2009 the Capital Planning Committee (CPC) approved the following financial constraints with respect to the use of debt:

- ***When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels.*** In other words, new G.O. bonds will only be used as a funding source when existing approved and issued debt is retired and/or the property tax base grows.
- ***The City will maintain the percentage of the General Fund spent on debt service at 3.25 percent of discretionary revenues.*** Stated differently, these financing instruments will only be used when existing issues of debt are retired and/or the City's General Fund grows.

As the City repays debt and other obligations issued over the last 15 years (i.e., to improve branch libraries, the Academy of Sciences, regional and neighborhood parks, Laguna Honda and San Francisco General Hospital, the Zoo, the Moscone West convention center, and the Asian Art Museum) and assessed valuations of taxable property and General Fund revenues increase, the City can issue nearly \$2.5 billion in new debt and other long-term obligations without violating these two financial constraints. This is shown graphically on the following pages.

A major change in this plan is the restructuring of the debt program within these two financial constraints. Now that voters have approved the San Francisco General Hospital bond, the top priority of the Plan is the phased replacement of the seismically deficient Hall of Justice (HOJ). Originally conceived as one massive building project beginning in 2010, it is more practical to replace the HOJ through a series of construction projects with different schedules and different strategic needs.

G.O. bonds require approval from at least two-thirds of voters at the ballot, lease revenue bonds require only simple majority approval, and C.O.P.s are authorized by resolution of the Board of Supervisors and then validated by the Superior Court. For more information, see the Controller's Office of Public Finance approved Debt Policy at sfgov.org/site/mopf_index.asp?id=24078.

The FY 2006 Property Tax Rate was approved by the Board of Supervisors on June 20, 2006 as part of the inaugural Capital Plan.

The financial constraint for issuing GF debt assumes discretionary revenues grow 4.5 percent annually.

Debt Program

(Dollars in Millions)

Month/Yr	Proposed Bond Issuance	Total
<i>Remaining Authorized & Unissued (SFGH, Clean & Safe)</i>		500
Jun 2010	Earthquake Safety & Emergency Response	412
Nov 2013	Earthquake Safety & Emergency Response (Phase II)	450
Nov 2014	Park System Renovation & Improvement	150
G.O. Bond Subtotal		1,512
<i>Remaining Authorized & Unissued</i>		
<i>(BLIP, Gas Tax, Moscone, Data Center, SFGH Generator)</i>		108
FY 2012	Veterans Building Seismic Improvement	130
FY 2013	Replacement of Jails #1 and #2 at the HOJ	482
GF Debt Subtotal		720
Debt Program Total		\$2,232

The above table outlines the revised strategy, beginning with the first Earthquake Safety and Emergency Response bond in June 2010. Other bond proposals include regularly scheduled improvements to parks infrastructure on a six-year cycle and a second Earthquake Safety and Emergency Response bond in November 2013. The Veterans' Building and the replacement of Jails #1 and #2 atop the HOJ will be funded with GF debt in FY 2012 and FY 2013, respectively. Capital Planning Fund dollars from the June 2010 Earthquake Safety and Emergency Response Bond will cover planning and design costs in FY 2011 and FY 2012. All costs are estimates and may need to be adjusted in future plans to account for program changes, site acquisition, alternate delivery methods, and/or changing rates of construction cost escalation.

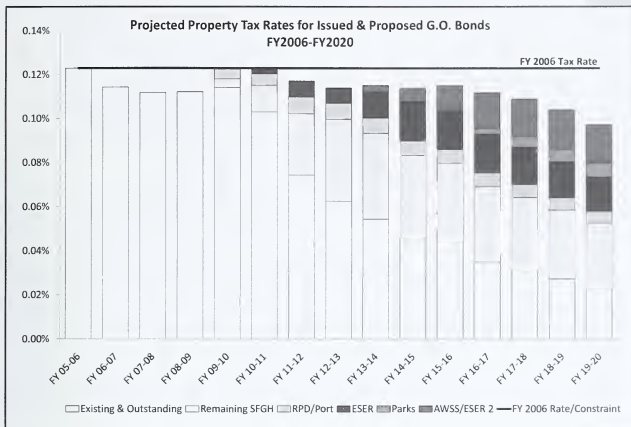
General Obligation Bond Debt

General Obligation (G.O.) bond proposals in California require two-thirds voter approval: a difficult threshold that limits municipalities' ability to construct large capital projects. However in 2008, after eight years without an approved City bond proposal, voters approved the first two G.O. bonds proposed by the Plan – the \$185 million Clean and Safe Neighborhood Parks bond and the \$887.4 million San Francisco General Hospital Rebuild bond. The next bond – \$412 million for earthquake safety and emergency response – will be considered by voters in June 2010. The chart at the top of the next page illustrates the impact on the local tax rate of issued, expected, and proposed G.O. bond debt.

The downward sloping white bars represent the local property tax rate resulting from the gradual repayment of previously approved G.O. bonds such as the Neighborhood Parks, Academy of Sciences, and Branch Library bonds of 2000. The lighter-toned columns represent the remaining authority from the recently approved Clean and Safe Neighborhood Parks and San Francisco General Hospital Rebuild bonds. The darker-shaded bars represent the tax rate impact of the June 2010 and November 2013 Earthquake Safety and Emergency Response bonds and the November 2014 Parks bond.

The City's G.O. Bond ratings are as follows:

- Moody's: Aa1
- Fitch: AA-
- Standard & Poor's: AA

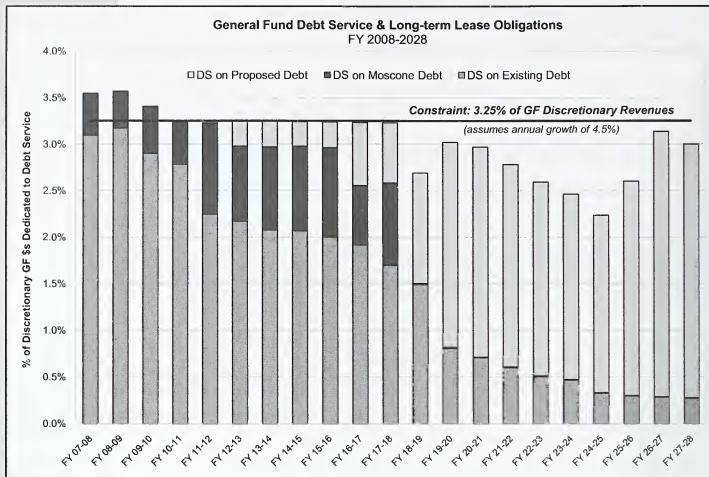


Certificates of Participation & Lease Revenue Bonds

Unlike G.O. bonds, lease revenue bonds and C.O.P.s are typically repaid out of the City's General Fund (GF) or revenue that would otherwise flow to the GF. The City utilizes lease revenue bonds and certificates of participation to leverage GF receipts (such as fees and charges) to finance capital projects and acquisitions, many of which provide direct revenue benefit or cost savings. Debt service payments for lease revenue bonds and C.O.P.s are typically paid from revenues of the related project, or fees, taxes or surcharges imposed by users of the project.

The debt service costs of existing and proposed C.O.P.s and lease revenue bonds are illustrated in the following chart. The bottom portion of the columns represents debt service commitments for previously issued revenue bonds, including the San Bruno jail and City office buildings in the Civic Center. New obligations are represented by the top portion of the columns (medium-toned gray in grayscale, orange in color) and include the replacement of old Jails #1 and #2 at the Hall of Justice and the renovation and seismic bracing of the Veterans Building. The middle portion of the columns shows the debt service payments for the Moscone West Convention Center.

The City is continuing to mitigate the impact of those years that exceed the 3.25 percent cap by exploring the sale of Transferable Development Rights, phasing construction contracts to match available funds, and prepaying or deferring existing debt service payments.



Deferred Projects and Emerging Needs

While the recommended General Fund program meets some critical needs over the coming decade, a significant gap exists between facility and infrastructure needs and the proposed \$3.8 billion funding level. Addressing these needs will require difficult choices for policymakers in coming years. These deferred needs total approximately \$4.9 billion.

Seventeen percent, or \$848 million, of the deferred projects are from underinvestment in the City's facilities and infrastructure during the past several decades. Project-specific information on deferred and emerging needs is available in each chapter.

Enterprise & External Agencies Program Summary

Unlike most of the General Fund departments, many of these departments have dedicated systems and staff to develop capital plans. The following programs and estimated costs were compiled by Enterprise department and external agency staff with the guidance of their boards and commissions.

Capital investments for Enterprise departments during the next ten years are approximately \$14.1 billion. This is up about six percent from last year's \$13.3 billion and includes Airport Terminal 2, the Central Subway, Pier 70 redevelopment, the Planning Department's

neighborhood Area Plans, the PUC's Wastewater Master Plan and Water System Improvement Program.

The \$9.0 billion for external agencies is primarily for transportation (i.e. Transbay Terminal and Doyle Drive) and economic development investments at Treasure Island and Hunter's Point Shipyard, with the balance for scheduled work at the Housing Authority and Unified School District.

Capital Planning Initiatives & Next Steps

Program improvements made during the last year as well as shortcomings to address in next year's Capital Plan include the following:

- **Principles for funding prioritization.** Last year the Capital Planning Committee adopted a set of five high-level funding principles to prioritize capital projects in both the Capital Plan and annual capital budget. While basic criteria were developed years ago, the funding principles in Appendix C are the first to be formally approved by the Committee. As such, they will be used as a guideline by staff when determining the relative priority of capital projects.
- **Job creation numbers.** The Capital Planning Program (CPP), in conjunction with the Controller's Office of Economic Analysis, the Airport, the Public Utilities Commission, and the Department of Public Works, reviewed models for predicting the number of jobs generated by construction projects and recommended use of the REMI Policy Insight model across the City. The Capital Planning Committee approved this recommendation and the publication of the jobs created in San Francisco in the Plan. See Appendix B for more information.
- **Public opinion research.** The Capital Planning Program (CPP) has initiated a third phase of public opinion research to better understand voter concerns about the Hall of Justice and support for a potential public safety bond measure. The first two phases of research have helped guide discussions about how the City prioritizes its scarce capital dollars and develop a strategy to fund the replacement of the Hall of Justice in the coming fiscal years.
- **Public outreach effort.** This fourth update to the inaugural Capital Plan is organized by service delivery area in an effort to more transparently communicate the City's capital priorities. This is the first of several efforts to widen the audience and readership of the Capital Plan, potentially including inserts in property tax mailers, website enhancements, coordinated construction signage, and/or postcards or high-level summaries targeted at specific constituencies.
- **Asset management.** Now that significant renewal investments are being made, it is

important to track actual expenditures with the forecasts made by the Facilities Renewal Resource Model (FRRM). Real Estate and DPW are implementing a new maintenance management system for the City's facilities and streets. The application provides a flexible way to track the City's assets and may also include energy efficiency tracking once the initial phase is complete. The rollout of the new system will help link capital planning and budgeting with ongoing maintenance and operations.

Copies of the ENIFWG report can be found at sfgov.org/cpp.

- **Interagency planning.** New legislation in late 2008 tasked the CPC with implementing the capital projects resulting from the Planning Department's better neighborhood Area Plans. Subsections of the City's General Plan, Area Plans rezone underutilized neighborhoods and recommend a host of specific infrastructure projects designed to support new residential and commercial development. During the spring of 2009 the CPP chaired the Eastern Neighborhood Infrastructure Finance Working Group (ENIFWG) to recommend strategies for funding those public improvements in the Eastern Neighborhoods Area Plan not supported by impact fees. The resulting report, adopted in July 2009, analyzed the fiscal feasibility of each option and established a precedent for considering the future redevelopment of other neighborhood Area Plans.
- **Street Resurfacing Working Group.** Building on the success of the ENIFWG, in January 2010 the Mayor and President of the Board requested that the CPC form a subcommittee to recommend a strategy for funding outstanding streets and rights-of-way needs. The Street Resurfacing Working Group began meeting in the spring of 2010 to evaluate a dozen funding mechanisms and a handful of long-term legislative strategies with the goal of delivering a final recommendation to the CPC in May 2010.
- **Aggregate Rental Rate for facility maintenance and repairs.** The Real Estate Division implemented an aggregate rental rate model for Civic Center facilities (25 & 30 Van Ness, 1650 Mission, 1660 Mission, 555 7th, and 1 South Van Ness) to cover not only administrative costs of administering the lease, but also some maintenance and capital repair costs. The CPP will explore expanding this model to all City facilities as a way to meet annual facility renewal needs and to reflect the true cost of occupying space.
- **Capital Incentive Program.** In an effort to incentivize performance on the delivery of large capital projects, in 2006 the City added an Appendix into the Memorandum of Understanding with IFPTE Local 21 creating a pilot Capital Incentive Program. For three years, each of the six City departments with contracting authority (MTA, AIR, PUC, PRT, DPW, and RPD) operated under different performance measures. In late 2009 the CPP succeeded in getting all departments to adopt standardized measures, creating one uniform and equitable standard for the City. While departments still retain some flexibility to, for instance, determine what qualifies as a small or large project, all employees across the City are finally subject to the same performance measures for the delivery of capital projects.

- **Construction Cost Escalation.** Legislation currently pending before the Board would require the CPC to annually evaluate existing construction cost escalation rates and to approve a standard rate that would be applied to an impact fee deferral program.
- **Advanced Capital Planning for Streets.** Passed by the Board in 2005 and 2006, the Better Streets Plan calls for City departments to work together to improve the functioning and aesthetic of our City's streets to meet social, ecological, recreation, and transportation goals. In early spring 2010 the Controller's Office will release its Better Streets recommendations regarding how the City funds and maintains streetscapes. Working closely with the Director's Working Group (DPW, SFMTA, PUC, CPP and Planning), the report will recommend improved project management, formalized interdepartmental collaboration, and the development of meaningful information for the public.

More information on the Better Streets Plan is available online at sf-planning.org/ftp/BetterStreets/index.htm.



II | Public Safety

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Public Safety Facilities



Legend

- ▲ Fire Department
- ◆ Police
- Sheriff

Public Safety Facilities

The City is responsible for the operation and maintenance of 42 fire stations, ten police district stations, five adult jails, 23 courtrooms in four locations, a juvenile detention facility and administrative offices, and a juvenile ranch facility.

Number	Name
1-48	Fire Stations (Numbered to 48 for historical reasons)
49	SF General Hospital Jail Ward
50	Treasure Island Jail
51	Central Police Station
52	Hall of Justice: <ul style="list-style-type: none">• Southern Police Station and Police HQ• Medical Examiner• County Jails #1 and #2• Other Local Justice Agencies
53	Bayview Police Station
54	Mission Police Station
55	Northern Police Station
56	Park Police Station
57	Richmond Police Station
58	Ingleside Police Station
59	Taraval Police Station
60	Tenderloin Police Station

Highlights and Accomplishments

Many of the City's largest capital improvements over the past 15 years have been to public safety facilities. These include improvements to nearly all of the City's fire stations, police stations and their associated facilities; the replacement of the juvenile detention facility and San Bruno Jail #3, the development of a modern Emergency Communications Center, and more recently fully functioning back-up 911 center. Even with these investments, the infrastructure needs in the public safety area total approximately \$2.47 billion. This represents about 30 percent of the City's overall General Fund capital need.

To address these needs the plan recommends \$1.9 billion for public safety facilities. These investments include repairs and seismic improvements to the Auxiliary Water Supply System (AWSS), renovation and renewal work on several fire and police stations, the creation of a new fire and police station in Mission Bay, the relocation of the Police Department Headquarters and Medical Examiner out of the Hall of Justice (HOJ), and building a new jail to replace the one that sits on the top two floors of the HOJ.

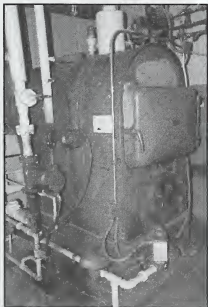
The vast majority of public safety investments in the plan are to replace the antiquated and seismically deficient HOJ and AWSS facilities. Extensive research on these critical projects was conducted by the Capital Planning Committee and the Department of Public Works over the past two years to determine the type and amount of improvements required and the best approach to securing funds that would enable construction to begin right away. As a result, the ten-year year capital plan proposes two Earthquake Safety and Emergency Response G.O. bonds and a General Fund backed revenue bond to replace the existing HOJ jail. More detail on the bonds can be found in sections 2 and 3 below.

The City is also working diligently to improve its ability to respond to and recover from a disaster beyond the large capital projects discussed in the previous paragraphs. Since the cost is under review, these improvements are listed in the Emerging Needs section.

Finally, the Women's Reentry Center at 930 Bryant Street, County Jail #5 at San Bruno, and County Jails #8 and #9 at 425 7th Street received more than \$850,000 in American Recovery and Reinvestment Act (ARRA) Energy Efficiency Community Block Grant funds for lighting improvements and new chillers and boilers.

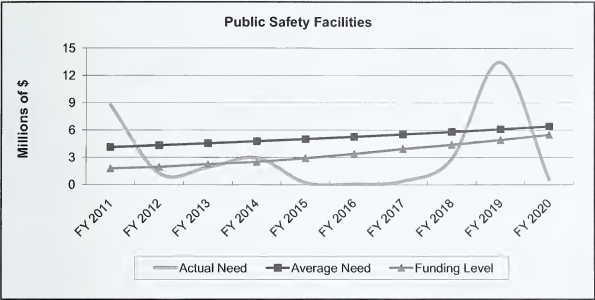
1. Renewal Program

The Facility Renewal Resource Model (FRRM) projects that Public Safety facilities need \$130 million in renewal investments over the next ten years. This is up only two percent from last year.



*Failed boiler at Fire Station 38
replaced in FY 2007-2008*

Given funding constraints, the plan allocates \$30 million in General Fund dollars to meet these needs. The plan proposes approximately \$90 million from G.O. bonds for renewals at fire and police stations. The General Fund allocation covers almost two-thirds of the needs for the Police Department through FY 2013 as well as the Sheriff's Department and Juvenile Probation.



The renewal need is the 10-year average of the Renewal Curve. The Renewal Curve line on the graph above shows the gap between annual renewal need and funding shrinking from \$2.3 million in 2011 to \$0.9 million in 2020.

The plan proposes funding most renewals at police and fire stations through two G.O. bonds – one in FY 2011 and another in FY 2016. These investments are not reflected in the renewal curve.

2. Enhancement Program (FY2011 – FY2015)

Ninety-three percent of the \$1.4 billion in enhancements to the City's public safety infrastructure are proposed during the first five years of the plan. Most of these are funded through the proposed June 2010 Earthquake Safety & Emergency Response G.O. bond and the replacement of the Jails #1 and #2 at the HOJ.

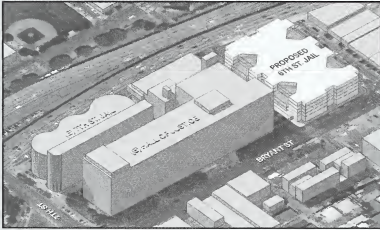
- **June 2010 Earthquake Safety and Emergency Response (ESER 1) General Obligation Bond.** Introduced in last year's plan, the earthquake safety and emergency response program seeks to save lives, protect property and assure prompt economic recovery after a major earthquake or disaster. The \$412 million June 2010 ESER bond, the first phase of this program, will address core features of the Auxiliary Water Supply System (AWSS), upgrade fire stations, and provide a seismically safe police command center. The Forensic Sciences Center – a new facility for the Crime Lab and Medical Examiner – is now proposed for the November 2013 ESER bond. The components of the first ESER bond are identified in the following table.

More information on the Earthquake Safety and Emergency Response Bond can be found at searthquakesafety.org.

Earthquake Safety & Emergency Response G.O. Bond
(Dollars in millions)

Seismically retrofit the aging Firefighting Water Supply System (hydrants, reservoirs, water cisterns, pumps, and underground pipe system built after the 1906 earthquake)	\$ 35
Seismically retrofit & make other critical safety & health improvements to Neighborhood Fire Stations	\$ 134
Provide a seismically safe Police Command Center	\$ 243
TOTAL	\$ 412

- **November 2013 Earthquake Safety and Emergency Response (ESER 2) General Obligation Bond.** The second bond in the earthquake safety and emergency response program will address the AWSS pipeline network; make critical repairs to fire and police stations throughout the City; and relocate the Police Department Traffic Division, Medical Examiner and Forensic Sciences out of the HOJ.



Drawing showing potential location for new HOJ jail

- **FY 2013 Hall of Justice (HOJ) County Jails #1 and #2 Replacement.** Addressing a critical health and safety issue facing the City, this project proposes issuing \$481.8 million in Certificates of Participation (COPs) to construct a new jail. A large earthquake may require evacuating the building of approximately 800 prisoners and staff, putting them and citizens at risk. While plans to safely evacuate the jail are in place, the costs to temporarily house the prisoners until a new facility is built would likely cost tens of millions of dollars.

The preferred location would be a site adjacent to the current HOJ and the criminal courts. While planning efforts to identify the best site and develop conceptual design documents have already begun, they must be further developed to obtain environmental clearances. Preliminary planning and design would begin in FY 2013.

- **County Jail 3 Demolition.** Settlement revenues from the construction of the new jail at San Bruno are slated to go toward the demolition and removal of hazardous materials at the old jail facility. In addition to this work, a few smaller projects in the original scope of the new jail that were deferred pending resolution of the lawsuit will be completed. The total project cost is \$4 million.

3. Enhancement Program (FY2016 – FY2020)

Only seven percent of the \$1.4 billion in public safety enhancements is proposed during the second half of the plan. All \$100 million, to be funded by the state, is for the consolidation of Family Court Services at the Youth Guidance Center campus.

4. Deferred Projects

As discussed in the introduction to this chapter, capital needs for public safety continue to outpace the level of investment the City is able to provide. As a result, several critical enhancements are deferred from the capital plan due to the limited availability of funds.

- **HOJ Local Justice Agencies & SFPD Investigations Unit.** Relocating these divisions is one of the final phases in replacing the HOJ. The plan assumes planning and design for the \$475 million project will begin in FY 2021, just outside of the ten-year time period.
- **Relocation of the SFPD's Central District Station.** The plan defers a proposed relocation of the district station from its current location, located under a public parking facility on Vallejo Avenue. The facility, constructed in 1972, is the only district station not upgraded in the 1987 police facility bond program. If the City waits until FY 2021 to construct a new facility, it is estimated to cost about \$117 million.
- **Old Potrero Police Station.** Located at Tennessee and 3rd, this unoccupied former police station is an unreinforced masonry building at risk of collapse. The estimated cost to convert this facility into a fire station or similar type of facility is \$23.4 million.
- **Log Cabin Ranch Cottages Construction.** Deferred from the plan is a Juvenile Probation Department (JPD) proposal to build several "cottages" to replace its existing dorm facility estimated at \$30.5 million. The project follows a model developed in Missouri that recognizes detention facilities that focus on rehabilitative and therapeutic programming using a small group setting. JPD is currently developing a master plan for Log Cabin Ranch that will further refine the capital needs of this program.
- **Youth Guidance Center Administrative Building Replacement.** Built in 1950, this facility houses administration functions for the Juvenile Probation Department. To bring it into compliance with current codes, seismic upgrades, accessibility improvements, significant exterior repairs to the deteriorating wood-frame, and other critical repairs are necessary. It will likely be less costly to replace the building, which is estimated to cost \$69 million.
- **Police Training Academy Expansion and Renovation.** Other police departments in the region send their recruits to train at San Francisco's Academy. However, the Academy does not have enough space to accommodate required training programs and may cause San Francisco to lose its regional certification. Expanding this space is estimated to cost almost \$18 million.
- **Old Fire Station 16 Renovation.** Given other priorities, all investments at this inactive station are deferred from the ten-year planning horizon. Work required to reopen this station is estimated to cost \$8.2 million.

- **Old Fire Station 21 Replacement.** The plan proposes to defer from the ten-year planning horizon all investments at this inactive station. Work required to reopen this station is estimated at \$37.6 million.
- **Relocation of the Fire Department's Ambulance Deployment Center.** Given funding constraints, the plan defers the relocation of this facility, which is estimated to cost \$11.7 million.
- **1415 Evans Seismic Retrofit.** The plan proposes to defer investments in this warehouse which stores all of the Fire Department's emergency supplies. Seismically retrofitting this facility is estimated to cost \$6.7 million.

5. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan, but will be reviewed in the subsequent year's capital plan as additional planning is completed and uncertainty around project-specific issues are resolved.

- **Relocation of the Criminal Courts at the HOJ.** The courts located in the HOJ face the same overcrowding and seismic concerns as City departments housed in the same building. The plan to replace these facilities relies on the availability of funds from the State administered through the California Administrative Office of the Court. Due to demand for these funds across the State, San Francisco is not expected to receive money for the criminal court within the next ten years.
- **Log Cabin Ranch Master Plan Implementation.** A residential treatment facility for juvenile delinquents, the Log Cabin Ranch campus was built almost 50 years ago and is in need of major repairs and renovations. Currently, it only houses a small number of juveniles and is underutilized. The Juvenile Probation Department is exploring options for how to better use Log Cabin Ranch and developing a master plan to address future growth, treatment options, facility requirements, and funding opportunities.
- **Hunters Point Fire Station.** Future development of the Hunters Point Shipyard may require the construction of a new fire station for the area at an estimated cost of \$36 million. The current Navy-owned station lacks separate dormitory facilities for men and women and is not in compliance with ADA standards. The City will monitor both the schedule and extent of development at the shipyard to determine the need in coming years and will update future plans accordingly.
- **Fire Department Training Facility Relocation.** Economic constraints and uncertain timing of the development of Treasure Island has led to no proposed funding for the modernization and relocation of the Fire Department's training facilities. This project would replace the Fire Department's current training facilities at 19th and Folsom

and Treasure Island with a new combined facility that includes training classrooms, apparatus storage, a vehicular training field, drill tower, live fire simulators, a fireboat dock, and separate showers/locker facilities. This project will likely be required given future development of Treasure Island, which may fall outside of the ten-year plan cycle. The total current estimated cost of this project is approximately \$135 million.

- **Citywide Emergency Response and Disaster Preparedness Efforts.** The National Preparedness Goal defines preparedness as “the range of deliberate, critical tasks and activities necessary to build, sustain, and improve the operational capability to prevent, protect against, respond to, and recover from domestic incidents.” An emergency management program is in place to coordinate the City’s preparedness efforts.

According to the Working Group on California Earthquake Probabilities (WGCEP), there is a 62 percent chance that a major earthquake will strike along one of the seven fault systems near San Francisco during the next 25 years. In anticipation, San Francisco has evaluated mitigation, response, and recovery methodologies from recent disasters throughout the world to incorporate best practices and lessons learned. Events such as Hurricane Katrina, the Southeast Asia tsunami, and the China earthquake have provided guidance and insight for San Francisco’s disaster planning efforts. This includes the recent update to the City’s Public Safety Element and draft Hazard Mitigation Plan (HMP) released in September 2008. Some of the capital projects associated with these mitigation actions are listed below.

- » **AWSS Core Facilities & Pipelines Seismic Retrofit**
- » **Street Structure Repairs & Islais Creek Bridge Seismic Retrofit**
- » **Data Center Relocation**
- » **Veterans Building Seismic Retrofit**
- » **Major Utility Lines Seismic Retrofit** including the mitigation of the land surrounding them (e.g. slope stabilization, vegetation management) to ensure proper functioning before, during, and after a disaster
- » **Stormwater System Upgrades** are also proposed to reduce ponding and localized flooding
- » **Treasure Island** capital improvements including geotechnical stabilization measures, seismic upgrades to the Treasure Island Causeway and construction of ring levees around the drainage pump houses critical to flood control

The Hazard Mitigation Plan is one of five plans that will replace the 2005 Emergency Operation Plan. For more information on this effort contact the Department of Emergency Management at www.sfgov.org/oes.

In addition to the above needs identified through the HMP, the following capital needs are recommended through other emergency planning efforts.

To address some of the resiliency needs at Treasure Island, the Department of Emergency Management submitted two grant applications to FEMA in October 2009. If the grants are approved, the City will be able to move forward with the partial seismic retrofit of the causeway and the elevation of the island's perimeter berm to protect residential areas from flooding hazards. Awards will be announced in the second quarter of 2010.

The entire CAPSS report, "Here Today—Here Tomorrow: Earthquake Safety for Soft-Story Buildings," is available online at <http://www.sfcapss.org/PDFs/HereTodayHereTomorrow.pdf>.

- **Seismic Retrofit of Department Operations Centers (DOCs).** DOCs are used to coordinate response and recovery efforts during an emergency, including maintaining internal operations and to contribute to a citywide response. These facilities also need access to utilities and communications systems, which are critical lifelines.

According to a recent seismic assessment, five of the 20 DOCs are housed in seismically unsafe buildings. In collaboration with other departments, DEM is assessing the cost of retrofitting these facilities to meet minimum seismic standards. DEM is considering expanding the seismic assessments to sites designated as shelters. Future plans will provide more information on this effort.

- **Emergency Staging Site Upgrades.** A staging area is where equipment, supplies and other resources are positioned for use during a disaster or emergency. Candlestick Park and the Alemany Farmer's Market are the primary and secondary staging sites, respectively, due to the large capacity of these facilities. To be fully functional, however, both require significant capital improvements.

- **Community Action Plan for Seismic Safety (CAPSS) Project.** The CAPSS project establishes a plan of action for the Department of Building Inspection to reduce earthquake risks and develop repair and rebuilding guidelines to expedite recovery. Released in February 2009, a CAPSS report identifies the vulnerability of multi-unit, wood-frame, soft-story buildings in future earthquakes and recommends that owners be required to seismically retrofit these buildings. Until a mandatory program is in place, CAPSS also recommends that the City provide incentives for voluntary retrofits. One of these incentives includes seeking voter approval of a City-funded loan program which would use existing bond capacity available because of the incomplete use of previously authorized General Obligation bonds for retrofitting unreinforced masonry buildings.

Public Safety

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	10,187	10,696	11,231	11,793	12,382	71,841	128,131	35,084
SPENDING PLAN								DEFERRED
State of good repair renewal - Proposed Uses	1,783	1,956	2,251	52,387	2,669	18,657	79,702	26,536
ADA Transition Plan Improvements	194		478	1,144			1,817	
Enhancements	412,483		477,983	400,000		99,628	1,390,093	1,041,625
TOTAL	414,460	1,956	480,712	453,531	2,669	118,285	1,471,612	1,068,160
REVENUES								
General Fund	1,976	1,956	2,729	3,531	2,669	18,657	31,519	
Capital Planning Fund	(3,818)						(3,818)	
Earthquake Safety and Emergency Response Bond	412,300			450,000			862,300	
Certificates of Participation			477,983				477,983	
San Bruno Settlement Revenue	4,000						4,000	
State						99,628	99,628	
TOTAL	414,460	1,956	480,712	453,531	2,669	118,285	1,471,612	
Total San Francisco Jobs/Year	2,964	14	3,461	3,265	19	852	10,596	

Departmental Breakdown **Fire Department**

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	5,781	6,070	6,374	6,692	7,027	40,771	72,715	7,479
SPENDING PLAN								
Critical Firefighting Facilities & Infrastructure	133,100			50,000			183,100	DEFERRED
ADA Transition Plan Improvements								
Auxiliary Water Supply System Core Facilities Upgrade	33,800						33,800	
Auxiliary Water Supply System Pipeline Improvements				80,000			80,000	
Public Safety Building - New Mission Bay Fire Station	17,600						17,600	
SFFD Training Facility Relocation and Expansion								142,228
Old Fire Station 1 Replacement								39,468
New Hunters Point Fire Station								37,335
Ambulance Deployment Center Relocation								12,257
Old Fire Station 16 Renovation								8,586
1415 Evans Street Seismic Retrofit								7,071
TOTAL	184,500			130,000			314,500	246,946

REVENUES

General Fund								
Capital Planning Fund	(2,800)						(2,800)	
Earthquake Safety and Emergency Response Bond	187,300			130,000			317,300	
TOTAL	184,500			130,000			314,500	
Total San Francisco Jobs/Year	1,328			936			2,264	

Juvenile Probation

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
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State of good repair renewal - Need	752	790	829	871	914	5,303	9,458	22,190
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SPENDING PLAN

State of good repair renewal - Proposed Uses	636	698	804	871	914	5,303	9,226	368
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ADA Transition Plan Improvements								
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Consolidation of Family Court Services at YGC Campus						99,628	99,628	
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Replacement of the Youth Guidance Center Administrative Building								72,762
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Log Cabin Ranch Master Plan Implementation								54,579
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Hidden Valley Ranch Reactivation								78,224
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Log Cabin Ranch Cottages								32,091
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TOTAL	636	698	804	871	914	104,931	108,854	205,933
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REVENUES

General Fund	636	698	804	871	914	5,303	9,226	
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State						99,628	99,628	
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TOTAL	636	698	804	871	914	104,931	108,854	
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Total San Francisco Jobs/Year	5	5	6	6	7	756	784	
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Police Department

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
Slate of good repair renewal - Need	698	733	769	808	848	4,921	8,777	4,815
SPENDING PLAN								
Police Station Renewals & Improvements	171	187	216	50,000			50,574	426
ADA Transition Plan Improvements				294			294	
Public Safety Building - SFPD Headquarters & Southern Station	220,165						220,165	
Forensic Sciences Center (Crime Lab/Medical Examiner)				240,000			240,000	
HOJ Traffic Division Relocation				30,000			30,000	
HOJ Local Justice Agencies & SFPD Investigations Unit								475,178
SFPD Central District Station Replacement								37,992
Expansion and Renovation of the Police Training Academy								18,473
Old Potrero Police Station Renovation								24,525
GGP Police Stables Renovation								855
TOTAL	220,336	187	216	320,294			541,033	557,449
REVENUES								
General Fund	171	187	216	294			868	
Capital Planning Fund	(4,835)						(4,835)	
Earthquake Safety and Emergency Response Bond	225,000			320,000			545,000	
Certificates of Participation								
TOTAL	220,336	187	216	320,294			541,033	
Total San Francisco Jobs/Year	1,566	1	2	2,306			3,895	

Sheriff's Department

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	2,956	3,104	3,259	3,422	3,593	20,846	37,180	600
SPENDING PLAN								
State of good repair renewal - Proposed Uses	976	1,070	1,232	1,516	1,755	13,353	19,902	25,741
ADA Transition Plan Improvements	194		478	851			1,523	
County Jails 1 & 2 Replacement (HOU)	3,818		477,983				481,800	
County Jail 3 Demolition	4,000						4,000	
TOTAL	8,988	1,070	479,692	2,367	1,755	13,353	507,225	25,741
REVENUES								
General Fund	1,170	1,070	1,710	2,367	1,755	13,353	21,425	
Capital Planning Fund	3,818						3,818	
Certificates of Participation			477,983				477,983	
San Bruno Settlement Revenue	4,000						4,000	
TOTAL	8,988	1,070	479,692	2,367	1,755	13,353	507,225	
Total San Francisco Jobs/Year	65	8	3,454	17	13	96	3,652	



III | Health and Human Services

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Health and Human Services Facilities



Health and Human Services Facilities

The table below shows the facilities operated and maintained by the Department of Public Health (DPH) and the Human Services Agency (HSA), which provide direct public health and safety net services to city residents. Leased facilities where the City is responsible for building maintenance are also included in this chapter.

Map ID	Facility	Map ID	Facility
1	Health Center Four	16	Health Center Three
2	Maxine Hall Health Center	17	Southeast Ambulatory Health Center
3	N. of Market Senior Service Center	18	Alemay Emergency Hospital and Treatment Ctr
4	DPH Central Office (DOC)	19	HSA Children's and Family Health Center
5	Tom Wadell Center	20	HSA CalWorks Offices
6	1360 Mission Street	21	HSA Polk Street Homeless Center
7	San Francisco City Clinic	22	HSA 850 Broderick Street
8	Health Center Five	23	HSA Family & Children's Services Court Office
9	Health Center One	24	ETS-50 Van Ness Ave.
10	Sunset Mental Health	25	HSA 5th Street Homeless Center
11	Laguna Honda Hospital Campus	26	HSA PAES Success Center
12	598 Portola Drive	27, 31	HSA 150 and 170 Otis Street
13	Community Health Network Headquarters	28	HSA FCS Foster Care
14	Caleb Clark Potrero Hill Health Center	29	HSA-Mother Theresa Dinning Hall
15	San Francisco General Hospital Campus	30	HSA-CalWORKs – 1800 Oakdale

The Department of Public Health (DPH) and the Human Services Agency (HSA) operate a broad range of facilities that provide direct public health and safety net services to city residents. DPH manages two major medical campuses – San Francisco General and Laguna Honda Hospitals – which together house 24 facilities. Additionally, the department operates ten city-owned primary care health clinics located throughout the city. HSA manages eight facilities: three homeless shelters, three children's resource centers, and two administrative buildings. Both departments also provide programs at a number of leased properties.

Highlights and Accomplishments

Although the City has made substantial capital investments in health and human services facilities in the past few years, significant capital needs remain due to the number, size and complexity of these assets. The plan proposes \$661 million in funding to address these needs, a 34 percent decrease from last year's plan. This is largely due to the issuance of \$429 million in general obligation bonds for the SFGH Rebuild. Some of the Department of Public Health's accomplishments are described below.



SFGH Rebuild Conceptual Drawing

In December 2009 the Capital Planning Committee recommended the Mayor and Board of Supervisors approve the second issuance of \$297 million in general obligation bonds for the San Francisco General Hospital (SFGH) Rebuild. More than 83 percent of the first bond sale has been spent or encumbered,¹ and the City anticipates issuing the second bond series in March 2010. Significant project accomplishments during the last year include groundbreaking and the award of major trade packages, including excavation, shoring, foundations, seismic isolators, structural steel and exterior curtain walls.

The \$24 million SFGH Emergency Generator Replacement project is on schedule. Construction documents are currently under OSHPD review, and DPH has already procured the generators. This project anticipates no additional funding during the next ten years.

DPH is receiving nearly \$2 million in American Recovery and Reinvestment Act (ARRA) Energy Efficiency Community Block Grant funds for HVAC improvements at Southeast and Ocean Park Health Centers. In addition, the department has applied for and received more than \$4 million in state grant funding for capital improvements at the Redwood Center, Sunset Mental Health Center, and Silver Avenue Health Center. Additionally, in early 2010 DPH anticipates a \$9.7 million grant award from the National Institute of Health (NIH) to expand and relocate the AIDS Research Office to the first floor of 25 Van Ness. Notification of that grant award is expected in early 2010. .

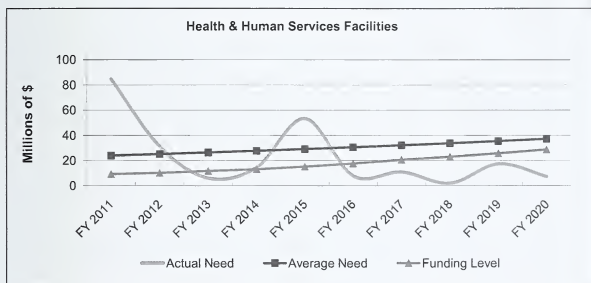
Totaling \$15 million, the Primary Care Center Modernization Program will be complete by the end of 2010. The final

¹ Expenditures and encumbrances as of December 1, 2009

project, the Potrero Hill Health Center renovation, includes adding examination rooms and physician offices and improving the accessibility of existing restrooms. With the exception of a few accessibility improvements at specific sites, the plan assumes no additional investments for this program.

1. Renewal Program

FRRM projects \$318 million in needs over the next ten years to keep public health and human services facilities in a state of good repair. This is only a four percent increase from last year. DPH facilities account for 78 percent of the total renewal need. The plan allocates \$175 million for repairs to public health and human services facilities. This falls short of the annual need, adding \$171 million to the existing \$104 million backlog.



Improvements through the Primary Care Center Modernization Program result in relatively low renewal costs for DPH's public clinics. However, there are still significant renewal needs at the SFGH and LHH campuses and for HSA administrative buildings.

- **Renewal or state of good repair investments at SFGH.** SFGH campus facilities account for about 83 percent of DPH's total need. Buildings with more than \$5 million in backlog and renewal costs include Buildings 1, 5, 10, 20, 30, 80, 100, and Pathology Building 3. With an average annual need of \$11.2 million, totaling \$142 million over ten years, the current hospital (Building 5) is the most expensive facility to maintain.
- **Renewal investments at Laguna Honda Hospital.** Renewal investments will be needed at the LHH campus since existing plans assume the reuse of Main Hospital Buildings A, B, C, and H after the current occupants move to the new buildings. These four buildings account for nine percent of the department's total annual renewal costs. Since Clarendon Hall and the Main Hospital L, K, M and O are scheduled for demolition, investments in these buildings will be limited to life and safety issues.

- **Renewal investments at HSA facilities.** The average annual renewal need for HSA facilities is approximately \$5.3 million. Two facilities account for 78 percent of HSA's total need: 170 Otis (57 percent) and 1235 Mission (21 percent).

2. Enhancement Program (FY2011 – FY2015)

All \$467 million of proposed enhancements for health and human services facilities fall within the first five years of the plan; 98 percent is for the SFGH Rebuild. These projects are highlighted below.



*View toward main entrance
of new hospital*

- **SFGH Rebuild.** State law requires all acute care hospitals to meet upgraded seismic safety standards by either retrofitting existing buildings or building a new hospital. The projected completion date for the Rebuild is 2015. Three bond issuances are scheduled through FY 2013 totaling \$459 million.
- **SFGH Seismic Bracing of Utilities at SFGH.** Working with the State Office of Emergency Services (OES), DPH applied for a \$1 million FEMA grant to seismically brace utility lines from the Service Building to other campus facilities. Before final approval, DPH must submit a benefit-cost analysis to FEMA in March 2010.
- **SFGH Data Center Relocation.** DPH needs to relocate the current data center to mitigate the risk of damage or loss from overhead sewage and steam pipes and make improvements to support the data needs for the new hospital. The project is estimated to cost \$6 million and will be funded with a combination of General Fund revenues and SFGH Rebuild general obligation bonds. DPH is exploring potential funding options to eliminate the need for GF investments.
- **Sunset Mental Health Center Renovation.** Funded through a state Mental Health Services Act grant, this project involves patient registration area reconfiguration, ADA improvements, and physician room additions. DPH anticipates the \$1.6 million grant award in January 2010.

3. Enhancement Program (FY2016 – FY2020)

There are no enhancements proposed during the second five years of the plan. Although previous capital plans have recommended the seismic upgrade and renovation of the DPH administrative building at 101 Grove Street, other priorities and financial constraints require the deferral of this project.

4. Deferred Projects

The proposed ten-year capital plan defers the following investments for health and human services facilities. Previous plans have included renovations to HSA's 150 Otis as a deferred

project. However, plans are in place to transform this building into affordable housing, and its capital needs will be addressed through this effort.

- **Remaining SFGH Campus Seismic Upgrade.** To be published in 2010, the SFGH Campus Master Plan outlines the series of necessary campus-wide relocations through 2020, which include the seismic upgrades of Buildings 1, 10, 20, 30, 40, 80, 90, and 100. Estimated to cost \$419 million, this project is deferred beyond the ten-year capital plan.
- **LHH Seismic Upgrade.** Built in 1924 and designated as a Department Operations Center (DOC), Buildings A, B and C house functions and staff critical for supporting the hospital in the event of an emergency. Seismic assessments of City buildings following the Loma Prieta earthquake gave these facilities a Seismic Hazard Rating (SHR) of 3. Although the \$38 million project is deferred from the plan, DPH will request funding in the annual capital budget for analysis, planning, and preliminary design.
- **DPH Administration Building Seismic Bracing.** Located at 101 Grove, this facility needs significant renovations and is well beyond its useful life. Instead of renovating the current building, the City might be able to move 101 Grove staff into Building 5 after the new hospital is complete.
- **Primary Care Clinic for Supportive Housing at 220 Golden Gate.** In 2007 The Tenderloin Neighborhood Development Corporation purchased the Central YMCA building at 220 Golden Gate Avenue to provide affordable housing for the homeless and access to supportive services, including a health clinic on the first floor. The plan defers the \$3.9 million required for building out the clinic space.
- **170 Otis Seismic Upgrade.** This building houses HSA's executive offices and program administration. Estimated at \$101 million, the seismic upgrade of this facility is deferred from the ten-year plan.



101 Grove Lobby

5. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan but will be reviewed in the subsequent year's capital plan as additional planning and uncertainty around project-specific issues are resolved.

- **SFGH Building 5 Renovation.** In 2015 when the new hospital is complete, various department functions will move into the existing hospital, where there will be 290,000 square feet of available space. DPH has requested funding to provide a more accurate

cost estimate and better define the improvements necessary for the relocation of department staff. Future capital plans will provide more information on this project.

- **LHH Facility Master Plan.** To coordinate with the master planning efforts for the SFGH campus, DPH proposes developing a master plan of capital needs at all LHH facilities over the next ten years.
- **LHH Patient Ward Remodel.** Future capital plans will provide more information on the proposed tenant improvements to convert patient wards in Buildings A, B and C into office space.**LHH Dialysis Unit.** DPH proposes relocating and expanding the dialysis center at SFGH to Building H at LHH. A new 30-chair unit will increase capacity and generate approximately \$500,000 in annual revenue for the department. During the next year, the City will explore potential financing options and other funding sources for this project

San Francisco Housing Authority



San Francisco Housing Authority

The San Francisco Housing Authority (SFHA) provides housing for very low-income families, senior citizens and persons with disabilities at 46 sites with more than 6,500 units. Five of the 46 sites were recently rebuilt with 1,149 new mixed-income apartments. The oldest housing authority in California, SFHA opened in 1940 and has many developments in need of major capital improvements.

Nearly all of SFHA's funding is from the U.S. Department of Housing and Urban Development (HUD) and rents paid by residents. Residents pay approximately 30 percent of their income for rent. SFHA facilities are listed below.

Map ID	Facility	Map ID	Facility
1	Holly Courts	24	350 Ellis Street
2	Potrero Terrace	25	3850 18 th Street
3	Sunnydale	26	462 Duboce Street
4	Valencia Gardens (Rebuilt)	27	101-103 Lundy's Lane
5	Bernal Dwellings (Rebuilt)	28	320-330 Clementina
6	Westside Courts	29	666 Ellis Street
7	Westbrook Apartments	30	1760 Bush Street
8	Potrero Annex	31	1880 Pine Street
9	North Beach (Rebuilt)	32	4101 Noriega Street
10	Ping Yuen	33	220 Randolph Street
11	Aleman	34	363 Noe Street
12	Hunters Point A	35	2206-2268 Great HWY & 2215-2263 48 th Ave.
13	Yerba Buena Plaza (Rebuilt)	36	2698 California Street
14	Hunters View	37	25 Sanchez
15	Alice Griffith	38	345 Arguello
16	Rosa Parks	39	491 31 st Avenue
17	Ping Yuen North	40	1750 McAllister
18	Hayes Valley	41	939 Eddy Street
19	J.F. Kennedy Towers	42	951 Eddy Street
20	Mission Dolores	43	430 Turk Street
21	Woodside Gardens	44	Joan San Jule Apartments
22	990 Pacific	45	Robert B. Pitts
23	227 Bay Street	46	Sunnydale/Velasco

Overview

Over the past decade, the SFHA has transformed five public housing sites by replacing poorly designed and obsolete high-rise, barracks-style buildings with new apartments while simultaneously adding more affordable housing units. The total cost to rebuild these sites was \$305 million, with \$118.5 million funded through federal HOPE VI grants and \$186 million from leveraged public and private financing. Funding also includes replacement and operating reserves for ongoing improvements and operations.



*North Beach Place Hope VI
Revitalization*

The HUD Capital Fund Program (CFP) is the primary source of funding for renewals and renovation of the SFHA's aging public housing stock. During the last 16 years, funding for renovation, security, resident services and deferred maintenance has been reduced to 58 percent of the 1991 allocation of almost \$24 million. Meanwhile, construction costs have doubled, limiting what can be accomplished with each CFP dollar. Continued underinvestment and the aging of facilities have compounded SFHA's needs – the existing backlog of deferred maintenance is now approximately \$309 million.

During the last Fiscal Year, the SFHA moved forward on a number of key initiatives and policy objectives. Priorities focused on four major areas including; Greening and Environmental Improvements, American Recovery and Reinvestment Act, Employment Opportunities for SFHA Residents, and Technology Access.

American Recovery and Reinvestment Act (ARRA)

In February 2009, the Department of Housing and Urban Development (HUD) awarded the SFHA with \$17.8 million in formula stimulus funds to address their capital needs. In September 2009, HUD awarded an additional \$15.3 million in competitive ARRA funding. Homes for hundreds of families, senior, and disabled citizens will benefit especially from certain aspects of the ARRA funding, including \$12.5 million for creating energy efficient, green communities and \$2.8 million for the needs of elderly and disabled residents.

Capital improvements being addressed with ARRA funding include the following:

- Modernization of senior and family developments, including hardwire smoke detector installations; fire alarm system upgrades, accessibility modifications; sidewalk repairs; exterior painting; and common space improvements
- Concrete restoration; roofing; waterproofing; and paving repairs
- Exterior and interior stabilization of lead based paint, site improvements at family developments

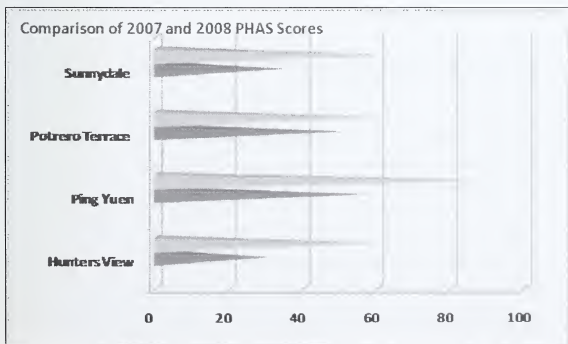
- 504/ADA (Americans with Disabilities Act) accessibility modifications to apartments and common spaces and elevator upgrades
- Vacant unit rehabilitation

The ARRA funding leverages an additional \$27.1 million in private financing that will come in over the next 18 months for energy conservation capital improvements at various SFHA developments. Major work to be completed with these funds include:

- Boiler and hot waterline replacements; heating system improvements; waterproofing and structural repairs; window replacement; exterior painting; security gate and lighting improvements; disability modifications to apartments and common areas; range and refrigerator replacement; asbestos removal; utility line replacement; and site improvements.
- Urgently needed infrastructure improvements including: water main replacement; heating, plumbing, and boiler replacements; site electrical improvements;

In FY 2007-2008 the SFHA began implementing efforts to prioritize maintenance repairs. Staff looked closely at concerns reported by HUD and increased the frequency of routine checkups while reducing the time necessary to complete individual work orders. Other positive, systemic changes include the implementation of an asset management system and a decrease in the number of vacant units.

One of the outcomes of this push is that the city's oldest housing sites saw the greatest improvements in their Public Housing Assessment System (PHAS) scores. The chart below shows four of San Francisco's oldest public housing sites and the dramatic shift in scores. In the chart below, red indicates 2007 scores and green, 2008 scores.



PHAS evaluates the physical, financial, management, and resident satisfaction for a particular housing development. HUD uses this information to reward high performers with additional capital funds and fewer physical inspections and penalize troubled performers by referring them to the HUD Department Enforcement Center.

Goals for this year include continuing the ascent and maintaining the high marks over time.

Underutilized land areas at Rosa Parks, 1750 McAllister and JFK Towers is now available for future development. This reduces immediate capital needs and generates proceeds to rehabilitate future sites through the sale of dilapidated sites and properties too costly to maintain. Also, the SFHA is negotiating with a development team to build up to 100 new apartments for senior and developmentally disabled households on an underutilized portion of the Rosa Parks site. Improvements at the Rosa Parks site will be pursued in conjunction with the development of new housing.



*Hunters View Family Public
Housing*

1. Renewal Program

In April 2007 the SFHA completed a comprehensive assessment of all of its sites that shows an annual renewal and maintenance need of \$18 million, totaling \$226 million over ten years, assuming continued reuse of all current facilities and annual escalation of five percent. Since the SFHA anticipates an annual allocation of \$8 million from HUD CFP (what is CFP) to address these needs, an additional \$184 million in renewal projects are deferred from the plan. HUD funding also does not address the existing \$309 million backlog.

The SFHA allocates the \$8 million in HUD CFP funds to: (1) ensure that the most distressed developments remain safe and functional without extraordinarily high maintenance costs and available for occupancy until they are rebuilt; (2) address urgent building and site problems as they are identified; (3) maintain the long-term viability of the fundamentally sound developments; and (4) improve the energy efficiency of properties in conjunction with Energy Services Contracting.

2. Enhancement Program (FY2011 – FY2015)

Although there are eight additional obsolete public housing sites identified for enhancement or revitalization, the SFHA does not anticipate more federal HOPE VI funding. Furthermore, the \$8 million renewal allocation from HUD CFP provides less than five percent of the resources needed to fix the backlog at the remaining 38 sites. To address this, SFHA has partnered the Mayor's Office of Housing, the San Francisco Redevelopment Agency in creating HOPE SF. As part of HOPE SF, the public agencies are working with private developers to create revitalization plans for transforming six of these eight sites into mixed income communities – combining replacement of the public housing with other affordable and market rental and ownership housing. Infrastructure replacement costs alone for these sites exceed \$150 million.

3. Enhancement Program (FY2016 – FY2020)

Two additional distressed public housing sites will be identified for investment from bond and/or other sources in the second five years of the planning cycle.

4. Deferred Projects and Emerging Needs

The Housing Authority is currently evaluating the impact of construction cost increases on the overall enhancement program, which may require the deferral of some proposed projects to enable the department to complete work within available funds. The outcome of this review will be reported in next year's capital plan update.

The agency is also seeking funding for enhancement of up to six of the eight sites that require complete revitalization as well as for renewal of sites that will have long term viability with some infrastructure improvements.



*Valencia Gardens Hope VI
Revitalization*

Health and Human Services

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	43,279	45,443	47,715	50,101	52,606	305,217	544,362	427,771
SPENDING PLAN								
State of good repair renewal - Proposed Uses	17,349	18,251	19,799	21,127	23,189	155,566	255,280	358,559
ADA Transition Plan Improvements	5,345	8,570	3,155	2,036			19,105	
Enhancements	220,415	178,093	68,573				467,080	966,929
TOTAL	243,109	204,914	91,526	23,163	23,189	155,566	741,465	1,325,498
REVENUES								
General Fund	14,582	19,809	16,942	15,151	15,177	115,506	197,265	
Other Local Sources								
State	1,580						1,580	
Federal	9,012	8,012	8,012	8,012	8,012	40,060	81,120	
SFGH and Laguna Honda Bonds	217,835	177,093	68,573				461,500	
TOTAL	243,109	204,914	91,526	23,163	23,189	155,566	741,465	
Total San Francisco Jobs/Year	1,750	1,475	659	167	167	1,120	5,339	

Departmental Breakdown Department of Public Health

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	19,940	20,937	21,964	23,063	24,237	140,621	250,801	97,900
<u>SPENDING PLAN</u>								
State of good repair renewal - Proposed Uses	7,629	8,367	9,632	10,716	12,401	94,384	143,130	127,309
ADA Transition Plan Improvements	5,345	8,570	3,039	1,914			18,868	
SFGH Rebuild	217,835	176,093	64,573				458,500	
Seismic Bracing of Utilities at SFGH Campus	1,000						1,000	
Data Center Relocation and Utility Upgrades		2,000	4,000				6,000	
Sunset Mental Health Center Renovation	1,580						1,580	
Remaining SFGH Campus Seismic Upgrade								418,829
Laguna Honda Hospital Seismic Upgrade (A, B & C)								38,015
DPH Administration Building Seismic Bracing								121,521
Housing and Urban Health Clinic Relocation (220 Golden Gate)								3,934
TOTAL	233,389	195,029	81,243	12,631	12,401	94,384	629,078	709,607
<u>REVENUES</u>								
General Fund	12,974	17,937	14,671	12,631	12,401	94,384	164,998	
State	1,580						1,580	
Federal	1,000						1,000	
SFGH and Laguna Honda Bonds	217,835	177,093	66,573				461,500	
TOTAL	233,389	195,029	81,243	12,631	12,401	94,384	629,078	
Total San Francisco Jobs/Year	1,680	1,404	585	91	89	680	4,529	

Human Services Agency

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	5,340	5,806	5,887	6,181	6,490	37,656	67,160	5,757
SPENDING PLAN								DEFERRED
State of good repair renewal - Proposed Uses	1,707	1,872	2,155	2,398	2,775	21,122	32,030	43,872
ADA Transition Plan Improvements			116	122			237	
170 Qts Seismic Upgrade								101,131
TOTAL	1,707	1,872	2,271	2,520	2,775	21,122	32,267	145,003

REVENUES

General Fund	1,707	1,872	2,271	2,520	2,775	21,122	32,267	
TOTAL	1,707	1,872	2,271	2,520	2,775	21,122	32,267	
Total San Francisco Jobs/Year	12	13	16	18	20	152	232	

San Francisco Housing Authority

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	18,000	18,900	19,845	20,837	21,879	126,941	226,402	

SPENDING PLAN

Current Backlog								194,459
Distressed properties								129,655
Non-distressed properties								187,388
State of good repair renewal - Proposed Uses	8,012	8,012	8,012	8,012	8,012	40,060	80,120	283,500
Enhancements								
TOTAL	8,012	8,012	8,012	8,012	8,012	40,060	80,120	795,002

REVENUES

Federal	8,012	8,012	8,012	8,012	8,012	40,060	80,120	
TOTAL	8,012	8,012	8,012	8,012	8,012	40,060	80,120	
Total San Francisco Jobs/Year	58	58	58	58	58	288	577	



IV | Infrastructure and Streets

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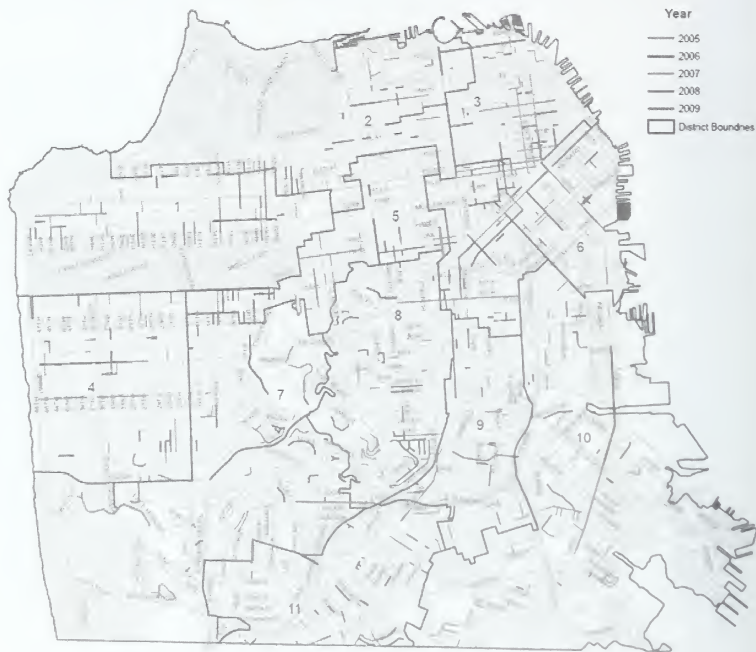
The City and County of San Francisco is responsible for operating and maintaining a complex infrastructure network that supports the delivery of critical services to San Francisco residents, businesses and visitors. While the The San Francisco Public Utilities Commission (SFPUC) primarily manages underground infrastructure, the Department of Public Works (DPW) focuses on above ground infrastructure such as roadways, sidewalks, landscaping and street structures.

The SFPUC is responsible for providing and distributing water to 2.4 million customers; wastewater treatment, effluent discharge, and biosolids disposal; and supplying electric power to operate Muni streetcars and electric buses, street and traffic lights, and municipal buildings. Under contractual agreement with 28 wholesale water agencies, the SFPUC also supplies water to customers in Alameda, Santa Clara and San Mateo counties.

The City maintains approximately 850 miles of streets and roadways comprising 12,458 street segments or blocks; 37 miles of roadway within the City's Park System; sidewalks adjoining City, State and Federal properties as well as certain special streets such as the Embarcadero and Doyle Drive; 340 street structures; and more than 35,000 street trees.

Streets and Rights-of-Way

Streets Paved 2005-2009



The Plan proposes investments of \$722 million for streets and right-of-way assets managed by the City. Down 21 percent from last year, investments for street resurfacing, sidewalk repair, street structures, curb ramps, and streetscape improvements are no longer funded with a proposed general obligation bond. Instead, many of these programs rely heavily on the General Fund, while others, such as streetscape improvements, are deferred.

Highlights and Accomplishments

In 2009 the City received \$63.5 million in American Recovery and Reinvestment Act (ARRA) funding for street and road improvements. Fifty million of these funds is for the Doyle Drive Replacement Project and the remaining \$13.5 million is for pavement renovations at Jones Street, Turk Street, Divisadero, 7th Avenue & Laguna Honda, Geary Boulevard intersections at 19th, 20th, 21st, 22nd and 23rd Avenues, and Bush Street. DPW will also use these ARRA funds to construct approximately 119 curb ramps throughout the City.

Construction on the \$1.05 billion Doyle Drive Replacement project started in the middle of last year and is slated for completion in 2014. Now envisioned as the Presidio Parkway, it features rich landscapes, at-grade segments and two short tunnels to safely move traffic through the Presidio.

Last year's plan recommended a \$309 million General Obligation bond to address historic underinvestment in streets and right-of-way assets. After much discussion, the Board of Supervisors tabled the bond in July 2009 causing the street resurfacing, street structure, curb ramp and sidewalk programs to revert to the more competitive and variable General Fund and deferring more than \$70 million in planned streetscape improvements. In January 2010, therefore, the Mayor and President of the Board of Supervisors requested that the Capital Planning Committee form a subcommittee to identify and study revenue options and long-term legislative advocacy strategies for meeting this funding shortage. This Street Resurfacing Finance Working Group will convene and report back in spring 2010.

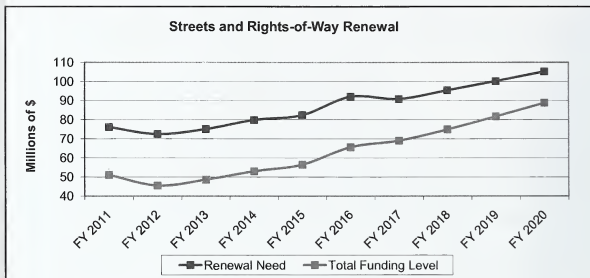
1. Renewal Program

Up 17 percent from last year, the total funding required to maintain streets and right-of-way assets in their current condition is estimated at \$870 million. This does not include \$578 million in existing backlogs from deferred maintenance for all roads, street structures and sidewalks.

Regular maintenance is critical to preserving a street's condition. If not regularly paved, a street will often require complete replacement – at five times the cost.

Given funding constraints, the plan allocates \$636 million to these needs, requiring the deferral of \$314 million beyond 2020. To determine annual needs and deferred maintenance backlogs for streets and rights-of-way assets, the plan uses a variety of different modeling tools described in the following pages.

- **Street Resurfacing.** DPW's pavement management strategy is to preserve streets by



applying the right treatment to the right roadway at the right time. While new pavements generally remain in good condition for several years, the rate of deterioration increases rapidly after seven to ten years. At approximately 20 years, the surface of the street must be replaced at higher costs. However, the life of streets can be extended as many as five years through low-cost preventive maintenance, which helps delay the costs of major pavement reconstruction. DPW also repairs the asphalt surface to prevent damage reaching the concrete base, which is significantly more costly to repair.

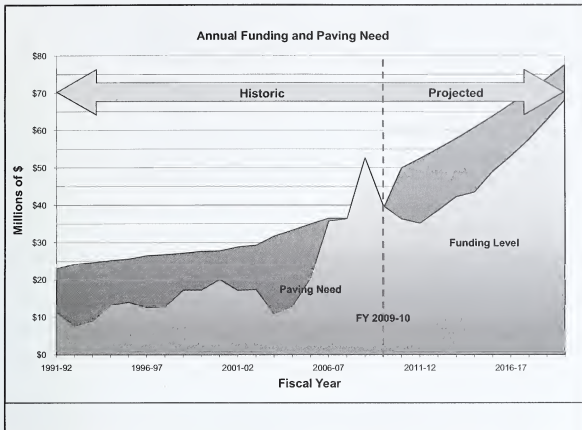
The regional agency responsible for transportation planning, the Metropolitan Transportation Commission (MTC) encourages preventive maintenance and other preservation strategies and ties regional funding to preventive maintenance performance. It is critical that the City include and prioritize preventive maintenance treatments to maximize its share of state and federal funds available to the region.

The City's current average pavement condition index (PCI) score is 63. To achieve an average PCI of 64, the standard set in previous plans, the City must appropriate \$50 million annually from federal, state and local sources, increasing with inflation in future years. To reach an average PCI score of 70 by 2020, the City would need to appropriate almost \$60 million annually. This level of investment could decrease the backlog by 22 percent in 10 years.

Overall, the plan allocates \$470 million for street resurfacing, meeting approximately three-quarters of the projected \$629 million need.

- **Sidewalk Repair.** In 2007 the City implemented the Sidewalk Inspection & Repair

Assuming the funding level proposed in the Plan, the City's average PCI score falls to 62 by FY 2020. Without investments from the General Fund, the average PCI score drops to 53 in 10 years.



Program (SIRP), a proactive inspection and repair program for both public and private sidewalks. The Sidewalk Repair and Inspection Program annually inspects and makes necessary repairs to approximately 200 square blocks of the City's most heavily traveled sidewalks. This ensures the 5,000 plus street segments are inspected on a 25-year cycle, the recommended industry standard. As of September 2009, approximately 41 percent of the 10,673 inspected properties (4.9 million sq ft) needed repairs. DPW was responsible for 14 percent of these repairs, while 86 percent fell to private property owners or other agencies.

The annual cost for replacing defective sidewalks is \$5.8 million. This does not include the existing backlog of street-tree related damage to sidewalks, estimated at more than \$25 million. The plan proposes \$53 million in investments, 30 percent of which is funded through private property owners.

- Street Structures.** The Roadway Structure Program includes inspection and repairs to City-owned structures such as bridges, tunnels, viaducts, retaining walls, guardrails, and stairways. There are 338 street structures in the City, and DPW maintains 290 of these. DPW has inspected 93 percent of these structures and assigned assessment scores between 0 and 100. The following table summarizes these scores and shows the rating for inspected structures.



DPW crew preparing sidewalk for repair

Condition	Score Range	Inspected Structures
Poor	0-40	7%
Fair	41-70	20%
Good	71-100	73%

The existing backlog of deferred maintenance includes structures that need extensive rehabilitation and replacement. A portion of the City's vehicular bridges qualify for the federal Bridge Preventative Maintenance Program (BPMP), leveraging \$3.6 million in federal funds to complete structural maintenance work. Repairing the City's street structures is estimated to cost \$53 million over the next ten years. However, the plan proposes only \$31 million in funding.

- **Street Tree Maintenance.** DPW is responsible for maintaining approximately 35,000 trees throughout the City. The plan proposes \$51 million in funding, almost three-quarters of the total need.
- **Street Tree Replacement and Establishment.** On average, the City loses 375 trees each year as a result of typical tree mortality, disease or vandalism. Once planted, new and replacement trees require frequent watering and re-staking for the first five years in order to foster the root system and promote tree growth. The highest loss rates of young trees happen within the first three years of planting. Ideally, mature trees should be pruned every three years to maintain proper and healthy growth and provide ADA-mandated width and headroom over sidewalks for pedestrians. The plan proposes only \$12 million toward the \$17 million need. This will likely result in a six-year maintenance and pruning cycle.
- **Median Maintenance and Irrigation System Repair.** With 68 landscaped medians across the city, irrigation systems must be routinely maintained to preserve the systems' useful lives and keep the landscaping in good condition. These systems prevent the need for manual watering, which costs much more. The plan proposes funding \$18 million of the \$24 million need.
- **Plaza Inspection and Repair.** DPW is responsible for maintaining nine plazas throughout the City. Similar to the programs in place for street structures and sidewalks, DPW plans to begin annual inspections of these public spaces. The plan estimates inspection and repair costs at \$3.4 million and allocates \$1.5 million for these needs.

2. Enhancement Program (FY2011 – FY2020)

The majority of identified needs for streets and right-of-way are renewals. The exceptions are the proposed seismic enhancement and replacement of Doyle Drive and curb ramp improvements.

- **Doyle Drive Replacement Project.** Constructed more than 70 years ago to provide direct access to the Golden Gate Bridge, Doyle Drive has deteriorated structurally and has reached the end of its useful life. Additional problems include lanes that are too narrow, lack of a barrier separating opposing traffic flows, and lack of shoulders for use by disabled vehicles, maintenance crews, and emergency and enforcement vehicles. When constructed in 1936 through what was then the Presidio of San Francisco, an active Army installation, an elevated structure was used to meet Army security requirements. The Presidio is now a national park and the Doyle Drive replacement project has been designed as a new parkway.

The Federal Highway Administration (FHWA), the California Department of Transportation (Caltrans), and the Transportation Authority completed a joint environmental impact statement and report (EIS/EIR) pursuant to the National Environmental Policy Act and the California Environmental Quality Act in December 2008. Now envisioned as the Presidio Parkway, construction began on the \$1.05 billion project in mid 2009 and is to be completed in 2014.



Schematic of the Doyle Drive Replacement Project

More information on Doyle Drive is available online at www.doyledrive.org.

- **Public Right-of-Way Transition Plan Improvements (Curb Ramps).** Title II of the Americans with Disabilities Act (ADA) requires local entities to develop a transition plan specific to curb ramps. San Francisco's Public Right-of-Way Transition Plan describes the City's existing policies and programs to enhance accessibility in the public right-of-way, including curb ramps. The City has made a strong commitment to improve curb ramps, sidewalks, street crossings, and roadways and provide accessible paths of travel for people with disabilities.

In addition, the San Francisco Public Works Code incorporates several policies that

regulate the use of outdoor furnishings and require that all construction projects affecting the public right-of-way provide alternate routes that maintain a safe and accessible path of travel for people with disabilities. The Plan proposes \$82 million to meet this need for individuals with disabilities.

3. Deferred Projects

While the Plan proposes cash investments to meet an increasing percentage of annual renewal investment needs during the plan period, it does not provide funds to reduce existing backlogs of deferred maintenance, which are described below. The Plan also proposes the deferral of several enhancement projects, including Great Streets and Utility Undergrounding.

- **Street Resurfacing.** DPW considers a street eligible for repaving once its PMMS pavement condition index falls below 64. PMMS has identified approximately 6,262 street segments that are in need of renovation. These streets comprise the existing backlog of deferred maintenance, which totals \$486 million. This represents the cost to raise the PCI score of these streets to 100. Funding constraints also require the deferral of an additional \$213 million.
- **Recreation & Parks Roads.** The Recreation and Parks Department (RPD) is currently working with DPW to enter road data into its pavement management software and is beginning to inspect its 37 linear lane miles of streets. With accurate data on road conditions, RPD can become a certified pavement management program and apply for additional funding. The costs for grinding and replacing asphalt and basic maintenance (filling potholes, patching, etc.) are estimated at \$46 million by the end of the planning cycle.
- **Street Structures.** Stairways, retaining walls, tunnels, bridges, overpasses, and other structures that require replacement or extensive rehabilitation are categorized as included in the backlog of deferred maintenance, totaling \$20 million. Funding constraints also require the deferral of an additional \$30 million.
- **Islais Creek Bridge.** In 2008, DPW hired a consultant to assess the general and seismic condition of the bridge. The findings identified the need for the painting, rust removal, concrete spall repair, seal water leaks, bridge machine equipment and electrical system upgrades, steel bridge deck replacement and damage repair. Seismic upgrade work and installation of traffic and pedestrian safety devices are also necessary. The Plan defers the \$66 million required for this project.
- **Irrigation Upgrades.** Proposed upgrades to irrigation systems at several landscaped medians throughout the City are deferred at an estimated cost of \$32 million. The Plan

proposes investments in these irrigation systems in the form of maintenance; however, upgrades must be deferred until revenue sources are identified.

- **Better Market Street.** Last upgraded in 1987, Market Street is one of San Francisco's most important thoroughfares. A comprehensive renovation of the street will require an environmental review and extensive interagency coordination. Right-of-way improvements could include roadway base repairs and resurfacing, sidewalk repair, crosswalk reconstruction, curb ramp upgrades, new street trees, and other streetscape improvements guided by the San Francisco Better Streets Plan. With the exception of \$2 million in impact fees from the Market/Octavia Area Plan, the Plan defers this \$235 million project.
- **Great Streets Program.** Although the City anticipates \$860,000 in funding from impact fees for various streetscape improvements tied to the Market/Octavia and Balboa Park area plans, the Plan defers \$495 million in investments for this program. This includes \$70 million in streetscape improvements included in the Road Repair and Safety Improvements General Obligation Bond removed from the ballot. Great Streets program costs assume improving ten blocks annually at \$2 million per block. Other deferred streetscape improvements include alleyways, median and island greening projects and Pavement to Parks.
- **Utility Undergrounding.** According to the Utility Undergrounding Task Force Report, the citywide cost of undergrounding and associated street lighting is estimated at \$3.6 billion over the next 50 years, resulting in an annual cost of \$72 million. The Task Force recommends funding these costs with a future surcharge on utility bill's. This project will be updated in subsequent plans as more information becomes available.

In conjunction with other City departments, the Controller's Office is conducting a study to streamline existing processes for designing, constructing, maintaining, and funding streetscape improvement projects.

Public Utilities Commission

To distribute water to its customers, the SFPUC operates and maintains the following facilities: 24 pipelines and related facilities; 26 pump stations; 29 dams and reservoirs; 9 tanks; 11 tunnels; 28 valve lots; two water treatment plants; three yards; and 30 chemical stations (chlorination and fluoride stations, aeration facilities, alum treatment plant and Thomas Shaft). Supporting wastewater services are three wastewater treatment facilities, 900 miles of sewers, and numerous pump stations and transport facilities. To provide an adequate and reliable supply of electric power to its customers, the SFPUC operates and maintains the Hetch Hetchy Reservoir, smaller dams and reservoirs, water transmission systems, power generation facilities and power transmission assets, including transmission lines to the Newark substation. It must also satisfy the municipal loads and agricultural pumping demands of the Modesto and Turlock Irrigation districts.

This complex network of facilities and infrastructure is managed by three enterprises within the SFPUC: Water, Wastewater and Hetch Hetchy Water and Power. The table below shows proposed SFPUC expenditures (in thousands) over the next ten years within each division.

Enterprise	Total Expenditures
Water	\$ 2,001,741
Wastewater	3,771,628
Hetch Hetchy Water & Power	932,972
SFPUC Total	\$ 6,706,341

Highlights and Accomplishments

In early 2010 the SFPUC will begin the installation of new automated digital water meters that will provide more accurate and frequent higher-resolution meter readings to allow the SFPUC and its customers to monitor water consumption and detect leaks much faster than possible with the existing manually-read water meters. The SFPUC will be the first major water utility in the state to install the technology for all of its customers.

Approved in December 2008, the \$1.9 billion supplemental appropriation for the Water System Improvement Program (WSIP) will fund WSIP through June 30, 2010.

The SFPUC anticipates Commission approval of the 30-year Wastewater Master Plan in early 2010. Proposed wastewater investments ensure public health and safety, infrastructure reliability and environmental justice, and compliance with future regulatory requirements.

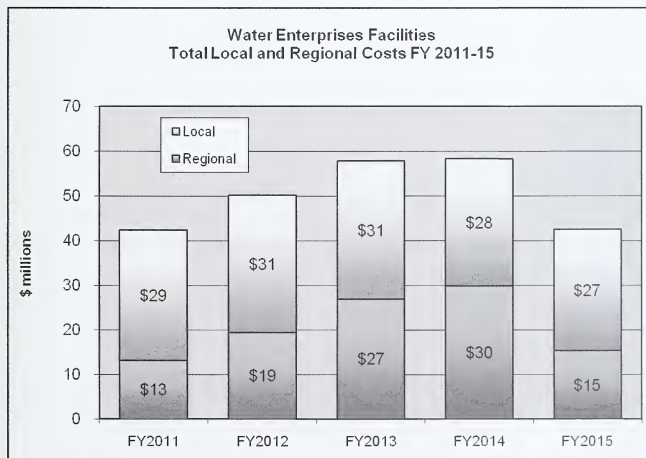
The SFPUC is also evaluating the Ocean Power Project for the generation of renewable energy for municipal facilities. Finally, once the assessment of the City's existing streetlight system is complete, the SFPUC will develop a retrofit/replacement program.

SFPUC – Water Enterprise

Project costs for the Water Enterprise (WE) total \$2 billion, including the Water System Improvement Program (WSIP). The following table shows regional and local investments proposed over the next ten years.

Regional	(Millions)
Waster System Improvement Program (excluding financing costs)	\$1,448.1
Water Storage	17.0
Watershed/Right of Way Management	11.0
Treatment Facilities	27.5
Water Conveyance/Transmission System	146.7
Operations Facilities Upgrades	52.0
Total	\$1,702.3
Local	
Water Conveyance /Distribution System	\$279.0
Meter Replacement	5.4
Treasure Island	15.0
Total	\$299.4

The graph below shows regional spending, excluding WSIP, growing from \$12 million in FY 2010 to an average of nearly \$16 million per fiscal year in the final five years of the plan. Local Water Conveyance/Distribution Improvement costs increase at a rate of 4 percent per year over the same period.



The SFPUC Water Enterprise will finance its capital needs with a combination of existing water revenue bonds and defer projects if funding is not available.

With the Water System Improvement Program moving into construction, the Water Enterprise uses the annual updates to the capital plan to ensure the appropriate projects and investments are in place (outside of WSIP) and that adopted levels of service are maintained. The capital plan is updated using the latest information from condition assessments (performance and remaining useful life of existing assets), master plan updates, reviews of level of service objectives, and financial data. In parallel to the capital planning effort, the Water Enterprise also expects to complete the conversion to a new Computerized Maintenance Management System by June 2010 that will be used to accurately house an inventory of the Water Enterprise's assets, condition assessment data, and maintenance requirements.

1. Renewal and Replacement Program

Annual funding for the Water Enterprise's renewal and replacement (R&R) program totals approximately \$54.8 million. The proposed R&R program includes investments to keep the water systems operational with the goal of reaching a state of good repair.

- **Water Storage.** This consists of seismic upgrades to existing dams (including instrumentation and geotechnical studies) to comply with recommendations from the State Division of Safety of Dams. Upgrades include geotechnical work and installation of monitoring systems, modifications to spillways and outlet structures.
- **Regional Water Watersheds/Right of Way Management.** The purpose of this program is to support capital projects that improve or protect the water quality and ecological resources that affect or are affected by the operation of the SFPUC water supply system within the Bay Area counties. Projects may include the repair, replacement, maintenance, construction of roads, fences, or trails that meet these purposes. It includes the planned replacement of three bridges on Alameda Creek to reduced environmental impacts associated with maintenance and allow year round watershed access.
- **Regional Water Treatment Facilities.** This consists of major upgrades to treatment facilities to achieve a higher level of performance. Projects include chemical dosage upgrades, flow monitoring, valve and pump replacement, chemical handling upgrades, power upgrades, systems to control discharges, process control equipment to meet more stringent drinking water regulations, and seismic improvements. These upgrades are needed to ensure adopted levels of service are maintained including drinking water quality and environmental criteria.
- **Regional Water Renewal & Replacement/Water Conveyance Facilities.** This will

provide funding for new, expanded, or upgraded facilities, ground and watershed infrastructure. Projects include pipeline inspections and repairs, pipeline replacement, corrosion control program and pump station upgrades. These upgrades are needed to assure that adopted levels of service are maintained including reduction of planned outages, emergency response, and performance after seismic events.

- **Operations Facilities Upgrades.** This consists of major upgrades to the Millbrae and Sunol Yards which are required to maintain operations and maintenance efficiencies. Projects at Millbrae include replacement of several temporary buildings and buildings that are beyond their useful life, a new maintenance shop, equipment storage building, and internal improvements to the main administration building. Projects at the Sunol yard include replacement structures for the maintenance shops and equipment storage, new fueling center and administration building.
- **Local Water Conveyance & Distribution.** This program is for the systematic replacement of existing water distribution mains (8-inch or smaller) over time with ductile iron pipes, along with the construct/replace/retrofit of 12-inch or larger water feeder or transmission mains in San Francisco. Main replacement/retrofits priority is based on several factors such as break history, age and soil conditions with the goal of replacing pipes older than 100 years in the system. Also included is the on-going program to renew old, galvanized, plastic, and lead water services.
- **Treasure Island.** On October 1, 1997, concurrent with the operational closure of Treasure Island Naval Station, the City entered into a Cooperative Agreement with the U.S Navy in which the City agreed to take responsibility for caretaker services on Treasure Island and Yerba Buena Island. Since the signing of the agreement, the SFPUC has been providing utility operations and maintenance services to the potable water system. Costs to the Water Enterprise over the ten-year period include a new water pump station in Oakland, repairing two reservoirs, a new 12 inch water line from Oakland to Treasure Island, and a new chlorine station. These projects provide a secondary source of potable water and increase water storage capacity on the island.

2. Capital Program (FY 2011 – 2020)

The plan proposes more than \$1.4 billion in addition to R&R and other investments previously discussed. Some of these key projects are listed below.

- **Automated Meter Reading System.** SFPUC is developing an Automated Water Meter Reading System that will largely eliminate meter reading field visits, improve customers' access to usage information, detect tampering, theft and leaks, and enhance flow profiling. Last year's plan included \$40.5 million for this project. The total estimated cost of this project is \$64.1 million. (\$18.2 million was previously appropriated). Funding in the plan will be used for automating the large meters in the system.

- **Water System Improvement Program.** The Water System Improvement Program (WSIP) is the SFPUC's multi-billion dollar, multi-year capital program to rebuild its water system. The program will enhance the SFPUC's ability to provide reliable, affordable, high-quality water to its 2.5 million customers through environmentally sustainable means.

The program cost totals \$4.10 billion, excluding projected financing costs of \$471.7 million. In December 2008, the Board of Supervisors approved a \$1.92 billion supplemental appropriation to fund WSIP through June 30, 2010, which also fully funded the San Francisco Local Program.

Program objectives include the following:

- » Deliver system improvements to provide high quality water that reliably meets current and foreseeable local, state, and federal requirements;
- » Reduce the water system's seismic vulnerability;
- » Increase system reliability for water delivery by improving redundancy needed to accommodate planned outages for maintenance and unplanned outages resulting from facility failure;
- » Provide near-term improvement of water supply/drought protection;
- » Set forth long-term water supply/drought management options for technical evaluation, cost analysis, and environmental review;
- » Enhance sustainability through improvements that optimize protection of the natural and human environments; and
- » Provide improvements resulting in a cost-effective fully operational water system.

The Commission provided direction on specific level-of-service goals for water quality, seismic reliability, delivery reliability, and water supply. The scope of the projects comprising the WSIP were developed using these goals. The program's proposed local and regional projects are shown in the following tables.

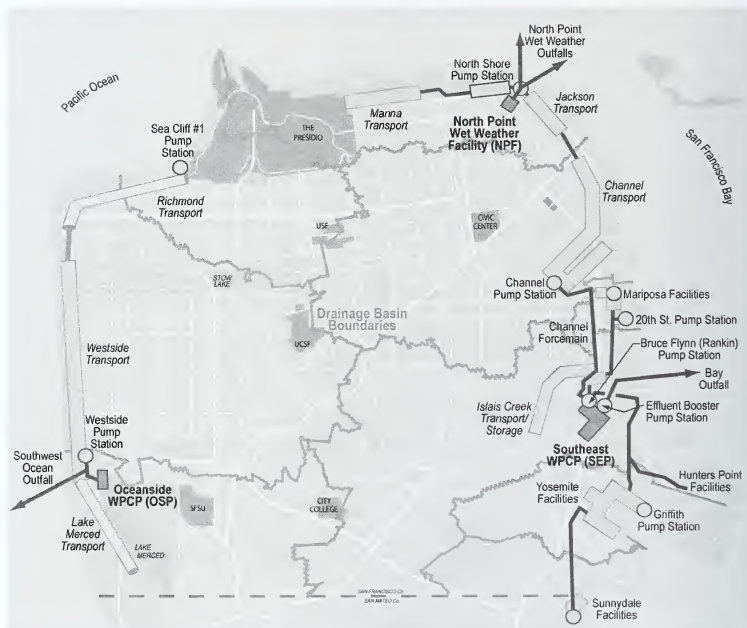
WSIP - Regional Projects

San Joaquin	Lawrence Livermore Water Quality Improvements San Joaquin Pipeline System Tesla Treatment Facility
Sunol Valley	Upper Alameda Creek Filter Gallery Standby Power Facilities - Various Locations New Irvington Tunnel Alameda Siphon #4 Upgrade Pipeline Repair and Readiness Improvements Calaveras Dam Replacement San Antonio Back-up Pipeline Sunol Valley Water Treatment Plant- Expansion & Treated Water Reservoirs San Antonio Pump Station Upgrade
Bay Division	Bay Division Pipeline # 3 & 4 Crossovers/Isolation Valves Seismic Upgrade of Bay Division Pipeline No 3 & 4 SCADA System - Phase II System Security Upgrade Bay Division Reliability Upgrade-Tunnel/Pipeline Bay Division Reliability Upgrade-Relocate BDPL 1 & 2 Bay Division Pipeline No 3 and 4 Crossovers SFPUC/EBMUD Intertie Bay Division Pipeline #4 Condition Assessment PCCP Sections
Peninsula	Lower Crystal Springs Dam Improvements New Crystal Springs Bypass Tunnel Adit Leak Repair - Crystal Springs/Calaveras Pulgas Balancing Reservoir Rehabilitation Cross Connection Controls Harry Tracy Water Treatment Plant - Short-term Improvements Harry Tracy Water Treatment Plant - Long-term Improvements Capuchino Valve Lot Improvements Crystal Springs/San Andreas Transmission Upgrade Crystal Springs Pipeline No. 2 Replacement San Andreas No. 3 Pipeline Installation Baden and San Pedro Valve Lots Improvements Peninsula Pipelines Seismic Upgrades
San Francisco Regional	Regional Groundwater Storage and Recovery Sunset Reservoir - North Basin University Mound Reservoir - North Basin
Systemwide Projects	Programmatic EIR Habitat Reserve Program Program Management (Regional/Local Programs) Watershed and Environmental Improvement Program

WSIP – San Francisco Local Projects

Reservoirs	Summit Reservoir Rehabilitation Hunters Point Reservoir Rehab & Seismic Upgrade Stanford Heights Reservoir Rehabilitation Potrero Heights Reservoir Rehabilitation Sutro Reservoir Rehab & Seismic Upgrade
Pump Station / Tanks	Crocker Amazon Pump Station Upgrade Lake Merced Pump Station Essential Upgrade La Grande Tank Seismic Upgrade Forest Hill Tank Rehab & Seismic Upgrade Forest Hill Pump Station Upgrade Forest Knolls Pump Station Upgrade Lincoln Park Pump Station Upgrade Alemany Park Pump Station Upgrade Mount Davidson Pump Station Upgrade Palo Alto Pump Station Upgrade Sky View - Aqua Vista Pump Station Upgrade Summit Pump Station Upgrades McLaren #1 Tank Rehab & Seismic Upgrade Potrero Heights Tank Seismic Upgrade Forest Knolls Tank Seismic Upgrade Lincoln Park Tank Seismic Upgrade McLaren #2 Tank Rehab & Seismic Upgrade Mount Davidson Tank Seismic Upgrade La Grande Pump Station Upgrade Potrero Heights Pump Station Upgrade Vista Francisco Pump Station Upgrade
Pipeline / Valves	North University Mound System Upgrade Key Motorized and Other Critical Valves Sunset Circulation Improvements Lincoln Way Transmission Line Noe Valley Transmission Main, Phase 2 East / West Transmission Main Fulton @ Sixth Ave - 30" Main Replacement
Water Supply	Lake Merced Water Level Restoration San Francisco Groundwater Supply San Francisco Westside Recycled Water Harding Park Recycled Water San Francisco Eastside Recycled Water SF Bay Area Desalination
Miscellaneous Projects	Vehicle Service Facility Equipment Safety Upgrade Fire Protection @ CDD

SFPUC – Wastewater Enterprise



SFPUC – Wastewater Enterprise

The Wastewater Enterprise (WWE) is responsible for the operation, maintenance, capital improvements and repair/replacement of the following wastewater facilities and assets.

Southeast Water Pollution Control Plant	Chavez/Army Circle Lift Station
Bruce Flynn Pump Station	Geary Expressway Lift Station
Oceanside Water Pollution Control Plant	Sunnydale PS & Transport
Westside Pump Station	Rankin Wet Weather Lift Station
Zoo Wet Weather Lift Station	Richmond Chemical Station
North Point WWF & North Shore Pump St	Berry Pump Station
Channel Pump Station & Transport	Richmond Transport
Southeast Booster Pump Station	North Shore Transport
Griffith Pump Station	Islais Creek Transport
Hudson Avenue Pump Station	Westside Transport
Mariposa Pump Station & Transport	Marina Transport
Palace of Fine Arts Pump Station	Jackson Transport
Pine Lake Pump Station	Yosemite Transport
Sea Cliff #1 Pump Station	Hunters Point Transport
Sea Cliff #2 Pump Station	900 Miles of Sewers
Tennessee Pump Station	3 Ocean/Bay Outfalls
20th Street Pump Station	36 Overflow Structures
Merlin/Morris Pump Station	Southeast Community Facility

The ten-year capital plan shows total Wastewater project costs of \$3.77 billion. Capital investments during the ten-year period are in the following areas:

- Sewer System Improvement Program - Planning (\$90.6 million);
- Odor Control (\$92.1 million);
- Treatment Facilities (\$2,015 million);
- Pump Stations (\$55.1 million);
- Sewer/ Collection System (\$1,425 million); and
- Treasure Island (\$93.8 million).

1. Renewal and Replacement Program

The recommended renewal investment is estimated to cost \$41.4 million in FY 2011 and increase to \$64.2 million by FY 2020. The Wastewater renewal program includes two major categories: sewer replacements and treatment facilities.

- **Sewer Replacements.** Historically, the WWE has been replacing approximately four miles of sewers each year at an annual cost of about \$12 million. The estimated annual cost for sewer replacement beginning in FY 2011 is approximately \$31.1 million. The goal is to accelerate the current 200-year replacement rate until the sewers are replaced once every 100 years. This project helps mitigate future years operating costs by timely maintenance of the Wastewater Collection System.
- **Treatment Plants.** The treatment plant renewal program includes projects to keep the Wastewater systems operational with the goal of reaching a state of good repair. Projects included planned renewals and replacements at WWE treatment plants and pumping facilities. The estimated annual cost for the treatment plant renewal program beginning in FY 2011 is approximately \$10.2 million. This amount increases to \$15.9 million if FY 2020.

2. Capital Improvement Program (FY2011 – FY2020)

The ten-year plan proposes investments totaling almost \$3.25 billion for capital improvements to the sewer system. The scope of the capital investments includes two categories of projects: (1) Sewer Improvement projects to replace/renew old facilities, and maximize the ability of the sewer system to collect and convey wastewater, and (2) Aging Infrastructure and Odor Control to replace/renew old facilities and maximize control of odors.

- **Wastewater Interim Capital Improvement Program (Interim CIP).** The plan includes \$162.3 million in improvements to Wastewater facilities during the next two fiscal years for projects that will become part of the Wastewater Interim Capital Improvement Program. The Interim CIP provides funding for projects that address the most critical needs of our aging wastewater system, improving the capacity of sewer mains, upgrading treatment facilities and reducing wastewater odors. The table below lists the projects included in the Interim CIP.

Interim CIP Projects (FY 2011- FY 2020)	(Millions)
WWE Odor Control Improvements	\$8.7
SEP Interim Solid Handling Improvements	4.7
Major Electrical and Mechanical Equipment Replacement	20.0
Facility Security/Emergency Response Improvement	12.3
OSP Solids Handling and Coating Improvements	23.9
Facilities Reliability Improvements	8.0
Biofuel/Alternative Energy Projects	7.0
Mariposa Pump Station Improvements	3.0
Channel Pump Station/Force Main Replacement	5.0
Oceanside Dilution Study	0.5
Sunnydale Auxiliary Sewer Improvements Phase 2	7.0
Sewer Hydraulic Improvements	10.0
Cesar Chavez Sewer Improvements Phase 2	11.7
Richmond Drainage Improvements Phase 2	9.3
Aging Sewer Replacements	28.0
Vactor Waste Staging Area	2.7
Sewer Staff Facility Improvements	0.5
Total	\$162.3

- **Sewer System Improvement Program (Sewer System Master Plan).** The Master Plan is program evaluates the current treatment and collection system and provides a long-term strategy for wastewater and stormwater management. This represents a comprehensive planning effort that (1) outlines a long-term strategy for San Francisco's wastewater and stormwater management; (2) addresses specific system deficiencies, aging infrastructure and future operational and repair/replacement needs; and (3) provides a roadmap for a future capital improvement program (CIP) ensuring reliable service meeting all regulatory requirements. A 20-Year Sewer System Improvement Program (SSIP) is proposed, a portion of which is addressed in this 10-Year plan. The capital plan proposes more than \$3.0 billion in WWE investments focusing on projects in the following categories:
- **Sewer System Improvement Program Planning.** This includes \$90.6 million for condition assessments, field studies, facility inspections, alternative evaluation, public outreach/education and planning for the Sewer System Improvement Program.
- **Odor Control.** Totalling \$83.5 million, these projects aim to minimize and/or eliminate the odors from our treatment plants and sewer collection system.
- **Treatment Facilities.** The plan proposes \$1.8 billion for the planning, design and construction of the Bayside Biosolids (Digester) Project which includes a new digester and solids facility in the southeast area of San Francisco. Improvements at the Southeast, Oceanside and North Point Treatment Plants and associated outfalls will also be addressed.

- **Pump Stations.** Totalling \$47.1 million, the projects in this category provide necessary improvements and equipment replacement at the various pump stations in our collection system to ensure operational reliability and odor control.
- **Sewer/Collection System.** Totalling \$964.4 million, this includes the Channel Tunnel Project, which will provide needed redundancy for the 66-inch Channel Force Main. The Channel Tunnel would transport dry and wet weather flows from the Channel and North Shore Drainage Basins to the Southeast Wastewater Treatment Plant. Replacement of aging sewers and mitigation of flood prone areas will also be addressed.
- **Redevelopment of Treasure and Yerba Buena Islands.** On October 1, 1997, concurrent with the operational closure of Treasure Island Naval Station, the City entered into a Cooperative Agreement with the U.S. Navy in which the City agreed to take responsibility for caretaker services on Treasure Island and Yerba Buena Island. As a result of this agreement, the SFPUC provides utility operations and maintenance services for the wastewater and stormwater systems.

Costs for the Wastewater Enterprise over the ten-year period total \$93.8M and include replacing pumps in 5 storm lift stations throughout Treasure Island, repair of several sections of the sanitary sewer force main at Treasure Island and Yerba Buena Island that are misaligned and collapsed. This project also provides for the replacement of pumps and upgrading the electrical and control panels at various Pump Stations. Also included is the retrofit and replacement of the Wastewater Treatment Plant. In the interim, this project consists of replacing several major and ancillary equipment within the wastewater treatment plant at Treasure Island prior to complete failure. Once City ownership is established, a new wastewater facility will be designed and constructed.

1. Renewal and Replacement Program

The Hetch Hetchy renewal and replacement program is comprised entirely of the projected costs of \$689.5 million for the Hetchy Water Enterprise. These proposed costs will be financed with a combination of revenue bonds and Enterprise revenues. If revenues are not available, projects will be deferred.

- **Communications and Security Renewals.** The SFPUC needs about \$19.5 million in communications and security investments over the next ten years to assist Water and Power System operations. The capital plan includes developing a new microwave communication system by the end of 2011. It also includes installing a multi-fiber communication link from Moccasin to the Powerhouses and Switchyard at Intake as a backup communication system to microwave. Due to the critical communication needs at these remote powerhouses, and to meet WECC/NERC requirements and system reliability, this redundant communication link is part of the ten-year plan.
- **Reservoirs/Dams.** Capital investments in reservoirs and dams are estimated at \$44.0 million over the next ten years. Projects include improvements at Priest to address turbidity issues, rehabilitation of the Moccasin Reservoir to address water quality, and improvements to safety and security systems and pumps and valves at Cherry Reservoir.
- **Water Transmission.** Capital investments in Water Transmission are anticipated to cost \$308.7 million during the next ten years. Projects include work on the San Joaquin Pipelines rehabilitation, Mountain Tunnel Rehabilitation, Kirkwood Penstock repairs due to slippage and design of a modified drainage system, Holm and Moccasin Reservoir condition assessments, rehabilitation of the O'Shaughnessy Outlet Works to provide for the full use of the spillway (drum gate structure), Coast Range Tunnel assessment, reline and coat Holm Penstock to increase generation efficiency, rehabilitation at Canyon Tunnel Hetch Hetchy Adit plus inspection of the tunnel and rock/sand trap, Moccasin Penstock rehab and repair, and ongoing water system assessments of remaining HHWP facilities
- **Power Infrastructure.** The plan proposes \$221.2 million in investments to repair and replace the Hetch Hetchy power system's exciters, governors, oil circuit breakers, transformers, transmitters, and distribution system. Projects will include the installation of CVT's and HVCB's for the Early Intake Switchyard, the Moccasin Powerhouse Generator Rewind, Kirkwood Powerhouse Unit 2 Rewind, additional TO/TOP testing and procedures, Holm Powerhouse Generator Circuit Breaker install, and Step-Up Transformers for the Kirkwood Powerhouse and Moccasin Powerhouse.
- **Facilities/Roads/Right of Way.** This is a multi-year project to fund renewals and replacements to support the infrastructure required for the operation and maintenance of both the water delivery and power generation/transmission system portion of the Hetch Hetchy Project. The capital plan includes the design of new roads as well as ongoing road and bridge repairs on the project. It also includes the design, upgrade and construction of existing and new support structures and facilities on the project. This work will encompass major structural renovations and upgrades, lead paint abatement, re-roofing, interior remodels, and upgrading and remodeling craft work areas and shops. These upgrades will allow Hetchy to meet California Building Code (CBC) requirements, address issues relating to safety and the Americans with Disabilities Act (ADA), energy efficiency, infrastructure, parking, Leadership

2. Capital Program (FY 2011 – 2020)

The Hetch Hetchy Water & Power capital program is comprised entirely of \$243.5 million for the Power Enterprise (PE).

- **Streetlighting.** The PE provides power to all of San Francisco's 42,000 streetlights and maintains the 22,000 owned by the City. It also coordinates and funds the maintenance of the 20,000 streetlights owned by Pacific Gas & Electric (PG&E). The SFPUC is in the process of assessing the existing system, focusing on City-owned lights over sixty years old, and preparing a retrofit/replacement program that will include specific strategies for capital recovery and an implementation schedule. The assessments and subsequent construction are estimated to cost \$66.1 million over the next ten years.
- **Transmission and Distribution.** Transmission and distribution (T&D) projects are defined as 12 kV service voltages and higher. These projects address the SFPUC's ability to assess and develop City-owned transmission and distribution assets as well as evaluate its reliance on assets owned by a third-party. T&D projects support the SFPUC's responsibility to provide long-term electric reliability options and services for the City. Estimated to cost \$10.9 million over the next ten years, these projects include the following:
 - » A condition assessment of existing third-party T&D systems and ultimate construction, estimated to cost \$4.0 million.
 - » Construction and ownership of new T&D systems where power can be taken at a higher (or primary service) voltage and then stepped down to a lower (or secondary service) voltage, estimated to cost \$3.5 million.
 - » A small portion of the T&D projects are renewal and replacement, totaling \$3.4 million.
- **Generation/Renewables.** To deliver electricity as a commodity to its customers, the Power Enterprise relies on its power purchases from the Hetch Hetchy hydroelectric powerhouses, on-site generation, and third-party purchases. Costs over the next ten years are projected at \$90.4 million. In accordance with City policies and directives relating to renewable energy and goals to reduce greenhouse gases, the Power Enterprise is continuously researching, developing and implementing new electricity generation resources to provide clean, local generation where it is needed and ensuring reliable power services. Design-build solar PV projects underway include MUNI Ways and Structures, MUNI Woods Coach, Chinatown Public Health, City Hall (part of the sustainable energy district), and Davies Symphony Hall. Wind projects are being planned at Twin Peaks and Crissy field. Additional rooftop solar PV projects are being

planned for SFPUC facilities such as the Millbrae Yard, SFO terminal rooftops and parking facilities, Moscone West, Moscone Ice Skating Rink, Alvarado school among others.

In accordance with expressed policy by the Mayor and Board of Supervisors, the Power Enterprise is considering an Ocean Power Project to generate renewable energy for use in municipal facilities. The scale of this project is a key determinant of Future capital requirements, and is dependent upon sufficient net revenues. This project is estimated to cost \$4.4 million over the next ten years for project permitting and development work, excluding the capital cost of the project.

The SFPUC is examining a number of ways to increase the generation of renewable power. The additional larger amounts of renewable energy may be needed to meet Renewable Portfolio Standards (RPS) for public power, possible RPS standards for municipal loads (if State legislation is enacted for this requirement) and possible renewable needs for Community Choice Aggregation. The Power Enterprise has entered into a Power Purchase Agreement and a corresponding lease for the deployment of solar energy at Sunset Reservoir. The project is expected to be in operation by 3rd quarter of 2010. Other sites are also being examined for larger scale development of solar energy at SFPUC-owned reservoirs and land at Tesla and Sunol. The model for development is straight power purchase agreements, where the Power Enterprise agrees to purchase power and the developer designs, permits, installs, owns and operates the system, thereby minimizing the Enterprise's upfront capital costs. Ownership of the facility could transfer to the City after the developer recovers its costs and earns a reasonable rate of return.

- **Energy Efficiency.** The plan proposes \$44.6 million in energy efficiency investments over the next ten years. An important component of an electric utility's resource portfolio, energy efficiency investments reduce facility operating costs and electric bills for customers, improve system functionality, and reduce the environmental impact of energy use. Since FY 2002-0203, the Energy Efficiency program has achieved 30 million kwh/year, 11 MW peak power reductions, and 241,000 therms/year savings (not including SFO savings below).

In FY 2008-2009 the Energy Efficiency program completed 26 energy efficiency projects, saving an estimated 3,035,000 kWh/year (446 kW peak demand); completed projects at the SFPUC Southeast, Northpoint and Oceanside Wastewater Treatment Plants; conducted 36 energy efficiency audits; completed energy efficiency lighting projects at the Hall of Justice, Broadway Tunnel, several police and fire stations, and 18 Port facilities; initiated mechanical system retrofit projects at seven Port facilities and

the new Port Tenant Energy Efficiency Services program; and supported SFO staff in implementing energy efficiency projects with estimated annual savings of 2.9 million kwh/yr and 376,000 therms/yr.

Energy savings goals for the current fiscal year are 3 million kWh/year, 50,000 therms/year, and 500 kW peak demand reductions.

- **Treasure Island.** The Cooperative Agreement discussed in the Water Enterprise's Renewal Program also requires the SFPUC to provide utility operations and maintenance services at Treasure and Yerba Buena Islands for the electrical and natural gas utility systems. The SFPUC has developed a work plan for creating a public power utility on each of the islands. The electric redevelopment projects included the replacement of a submarine Cable from Oakland to Treasure Island, a new underground 12-kV Distribution System at Treasure Island, Yerba Buena Island, and in Oakland, and a New 115-kV substation in Oakland

3. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan but will be reviewed in the subsequent year's capital plan as additional planning and uncertainty around project-specific issues are resolved.

- **Civic Center Sustainable Resource District.** This initiative will transform the city's Civic Center into a sustainable resource district that maximizes energy and water efficiency, reduces waste, and increases the use of wastewater. Sustainable strategies will be implemented on the Civic Center's buildings and public spaces to provide measurable and replicable results for other cities worldwide and to create a global center for educating the public on sustainable concepts.

The initiative will require extensive planning and is still taking shape. However, projects that can be implemented quickly and already have available funding – energy efficiency retrofits, solar roof installations, and water conservation fixture installations – will be accelerated.

Bill Graham Civic Auditorium, Asian Art Museum, and 101 Grove (DPH's Administration Building), Civic Center Plaza and garage are currently being evaluated for energy efficiency improvements and solar installations with planned implementation (if feasible) to begin during FY 2010 – 2011.

Infrastructure & Streets

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
<u>SPENDING PLAN</u>								
Streets & ROW								DEFERRED
State of good repair renewal - Streets & ROW	51,144	45,615	48,722	53,148	56,604	381,130	636,363	892,155
Public Right-of-Way Transition Plan Improvements	7,391	7,713	7,101	7,456	7,829	44,967	82,458	
Enhancements - Streets & ROW	15	50	150	1,180	1,465		2,860	1,586,141
Doyle Drive Replacement Project	492,206	173,739	100,485				766,430	
Subtotal	550,756	227,117	156,458	61,785	65,898	426,097	1,488,111	2,478,296
SFPUC								
Water Enterprise	1,490,441	50,097	57,813	58,244	42,489	302,657	2,001,741	
Wastewater Enterprise	149,275	190,060	346,907	1,245,694	274,445	1,565,248	3,771,628	
Hetch Hetchy Water and Power Enterprise	71,227	81,345	99,464	120,327	116,170	444,441	932,972	
Subtotal	1,710,943	321,502	504,183	1,424,264	433,103	2,312,346	6,706,341	
TOTAL	2,261,700	548,618	660,641	1,486,049	499,001	2,738,443	8,194,452	2,478,296
<u>REVENUES</u>								
General Fund	22,888	25,725	28,058	31,209	34,295	251,501	393,676	
Other Local Sources	51,683	159,315	90,101	1,596	1,675	9,697	314,068	
Prop K Funding	17,298	21,463	17,694	5,996	5,659	32,524	100,635	
Area Plan Impact Fees	15	50	150	1,180	1,465		2,860	
State	426,228	27,563	28,456	19,403	20,404	120,374	642,428	
Federal	58,644	7,000	6,000	6,400	6,400	32,000	116,444	
SFPUC Revenues	1,684,943	307,502	448,370	1,361,538	373,958	2,159,280	6,335,591	
TOTAL	2,261,700	548,618	618,828	1,427,323	443,856	2,605,377	7,905,702	
Total San Francisco Jobs/Year	16,284	3,950	4,456	10,277	3,196	18,759	56,921	
TOTAL SHORTFALL								
To be funded with debt, additional revenues, and/or deferring expenditures								
			(41,814)	(58,726)	(65,145)	(133,066)	(288,750)	

Departmental Breakdown Streets & Rights-of-Way

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	76,143	72,461	75,127	79,892	82,424	483,936	869,983	
SPENDING PLAN								
Current backlog								
DEFERRED								
Roads								486,273
Recreation & Parks Roads								46,398
Street Structures								19,965
Sidewalks								25,267
Street Resurfacing	35,121	33,915	36,367	39,370	42,585	282,554	469,911	213,281
Curb Ramps (ADA Right of Way Transition Plan)	7,391	7,713	7,101	7,456	7,829	44,967	82,458	
Street Structures	6,540	1,509	1,498	2,427	1,872	17,397	31,242	30,141
Sidewalk Repair	3,587	3,829	4,181	4,505	4,821	32,442	53,364	27,691
Street Tree Maintenance	3,384	3,642	3,997	4,371	4,602	30,554	50,550	25,596
Street Tree Replacement and Establishment	1,129	1,290	1,145	846	962	6,556	11,928	6,597
Median Maintenance and Irrigation System Repair	1,283	1,340	1,431	1,516	1,630	10,628	17,828	8,461
Plaza Inspection & Repair	101	90	103	115	132	989	1,539	2,486
Doyle Drive Replacement Project	492,206	173,739	100,485				766,430	
Utility Undergrounding								720,000
Great Streets Program	15	50	150	180	465		860	494,764
Better Market Street				1,000	1,000		2,000	235,327
Great Highway								35,609
Irrigation Systems Upgrade								31,609
Islands Creek Bridge								66,214
Halldie Plaza Improvements								2,619
TOTAL	550,756	227,117	156,458	61,785	65,898	426,097	1,485,111	2,478,296
REVENUES								
General Fund	22,888	25,725	28,058	31,209	34,295	251,501	393,676	
Other Local Sources	51,683	159,315	90,101	1,596	1,675	9,697	314,068	
Prop K Funding	17,298	21,463	17,694	5,996	5,659	32,524	100,635	
Area Plan Impact Fees	15	50	150	1,180	1,465		2,860	
State	406,228	17,563	18,456	19,403	20,404	120,374	602,428	
Federal	52,644	3,000	2,000	2,400	2,400	12,000	74,444	
TOTAL	550,756	227,117	156,458	61,785	65,898	426,097	1,485,111	

SFPUC: Water Enterprise

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
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SPENDING PLAN

Regional Costs

Water System Improvement Program	1,448,149						1,448,149
Storage	750	5,000	1,000	5,000	5,000	200	16,950
Watershed/Right of Way Management	1,000	3,000	2,500	1,500	500	2,500	11,000
Treatment Facilities	4,400	3,400	2,400	2,400	3,900	11,000	27,500
Water Conveyance	2,000	2,000	2,000	2,000	2,900	135,800	146,700
Operation Facilities Upgrades	5,000	6,000	19,000	19,000	3,000		52,000
Regional Total	1,461,299	19,400	26,900	29,900	15,300	149,500	1,702,299

Local Costs

Water Conveyance Distribution System	23,242	24,172	25,138	26,144	27,189	153,157	279,042
Water Meter System Enhancement	5,400						5,400
Treasure Island	500	6,525	5,775	2,200			15,000
Local Total	29,142	30,697	30,913	28,344	27,189	153,157	299,442

TOTAL REGIONAL & LOCAL

	1,490,441	50,097	57,813	58,244	42,489	302,657	2,001,741
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REVENUES

Water Revenue Bonds	1,457,750	15,771	21,770	20,399	2,752	71,491	1,589,933
Water Revenue	32,692	34,326	36,043	37,845	39,737	231,166	411,808
TOTAL	1,490,441	50,097	57,813	58,244	42,489	302,657	2,001,741
Total San Francisco Jobs/Year	10,731	361	416	419	306	2,179	14,413

SFPUC: Wastewater Enterprise

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
SPENDING PLAN							
Sewer System Improvement Program - Planning	19,685	21,510	9,274	25,047	5,355	9,730	90,601
Odor Control	2,850	6,000	1,741	1,741	4,522	75,464	92,118
Treatment Facilities	50,050	72,600	43,663	1,134,330	135,366	579,007	2,015,017
Pump Stations	8,000		725	725	1,450	44,225	55,125
Sewer/Collection System	65,890	86,950	289,939	80,721	122,191	779,322	1,425,012
Treasure Island	3,000	3,000	1,565	3,130	5,560	77,500	93,755
TOTAL	149,275	190,060	346,907	1,245,694	274,445	1,565,248	3,771,628
REVENUES							
State	20,000	10,000	10,000				40,000
Wastewater Revenue Bonds - Interim CIP	37,607	40,715	1,991	10,003	11,800	129,969	232,085
Wastewater Revenue Bonds - Master Plan	59,489	103,362	295,673	1,194,675	218,602	1,196,011	3,067,822
Wastewater Revenue	14,067	33,777	35,466	37,240	39,102	226,864	386,516
Other - Capacity Fee	18,102	2,206	3,776	3,776	4,941	12,404	45,206
TOTAL	149,275	190,060	346,907	1,245,694	274,444	1,565,248	3,771,628
Total San Francisco Jobs/Year	1,075	1,368	2,498	8,969	1,976	11,270	27,156

SFPUC: Hetch Hetchy Water and Power

Program / Project

SPENDING PLAN

Hetchy Power

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
Streetlight	10,105	22,110	1,504	1,509	1,244	29,628	86,100
Transmission/Distribution	2,000	2,000	2,190	2,815	1,910		10,915
Renewable/Generation	11,200	9,200	9,500	9,500	9,500	41,500	90,400
Energy Efficiency	5,912	6,895	5,645	5,095	3,645	17,413	44,603
Treasure Island	1,000	2,900	10,450	9,850	3,775	3,500	31,475
Hetchy Power Total	30,217	43,105	29,289	28,769	20,074	92,041	243,493

Hetchy Water

Communications/Security/Miscellaneous	6,500	5,500	2,500	1,500	500	3,000	19,500
Reservoirs/Dams		500	2,000	2,000	2,000	37,500	44,000
Water Transmission	5,250	12,000	26,500	27,000	28,000	210,000	308,750
Power Infrastructure	26,760	12,740	24,675	41,558	43,096	73,400	221,229
Facilities/Roads/Right of Way	3,500	7,500	14,500	19,500	22,500	28,500	96,000
Hetchy Water Total	41,010	38,240	70,175	91,558	96,096	352,400	689,479

TOTAL

71,227	81,345	99,464	120,327	116,170	444,441	932,972
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REVENUES

Federal - Clean Renewable Energy Bonds (CREBs)	6,000	4,000	4,000	4,000	4,000	20,000	42,000
Heich Hetchy Revenue Bonds/Joint Water Assets	7,137	14,000	25,150	29,100	28,525	148,875	252,787
Hetch Hetchy Revenue	58,090	63,345	28,500	28,500	28,500	142,500	349,435
TOTAL	71,227	81,345	57,650	61,600	61,025	311,375	644,222
Total San Francisco Jobs/Year	513	566	415	444	439	2,242	4,638

Shortfall

To be funded with debt, additional revenues, and/or deferring expenditures

(41,814)	(58,727)	(55,145)	(133,066)	(288,750)
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The City owns and operates the eighth-largest public transportation system in the United States and one of the world's 30 busiest airports. The San Francisco Municipal Transportation Agency (SFMTA) consists of the Municipal Railway (Muni) and the Division of Parking and Traffic. The SFMTA Board of Directors also serves as the Parking Authority, regulates taxi services, and oversees bicycle/pedestrian planning and design. Within San Francisco, the SFMTA maintains and operates 9 subway and 24 surface light rail stations; 6.6 miles of subways and tunnels; 71.5 revenue track miles for rail operations and 8.8 miles of track miles for cable car operations; 219.9 miles of overhead wires; a rolling stock of nearly 2,000 buses, light rail vehicles, trolley coach buses, cable cars, historic street cars, paratransit vans, and other support vehicles; 40 off-street parking garages and lots; 19 operational, maintenance and administrative facilities; 25 power substations; and numerous traffic signals, signs, parking meters, bike lanes, duct banks, and transportation information and communications networks.

In unincorporated San Mateo County, the San Francisco International Airport occupies approximately 5,171 acres, almost half (2,383 acres) of which has been developed for Airport use. The Airport includes four runways, 78 operational gates, four terminal buildings, 32 miles of roadways, five parking garages, the AirTrain transit service, a rental car facility, leased cargo and maintenance facilities, a waste treatment plant, and more than 274 miles of pipelines, ducts, power, and pump stations for water, sewage, storm drainage, industrial waste, gas, electrical, and telecommunications distribution systems.

San Francisco is also a member (along with San Mateo and Santa Clara counties) of the Peninsula Corridor Joint Powers Board (JPB) which operates Caltrain. Caltrain operates seven days a week, with 29 locomotives and 110 passenger cars serving 32 stations along the 77.2-mile route between San Francisco, San Jose and Gilroy. Within San Francisco, the JPB maintains ten bridges, 5 tunnels, one layover facility, and several miles of rights of way, signalization, and communications systems.

Highlights & Accomplishments

In the last year, the SFMTA procured 40 new vehicles for ADA paratransit van service; implemented pedestrian crossing improvements throughout the city (particularly on 19th Avenue and 13 Mission Street); installed Automatic Passenger Counters on 30% of the bus fleet; completed Phase I of SFgo; completed the Presidio Yard Overhead Contact System Reconstruction; completed the CER phase of the Central Subway; and substantially completed implementation of an integrated Automatic Vehicle Location system.

Over the next ten years, the SFMTA expects to complete the Central Subway (a 1.7-mile extension of the Third Street Light Rail Project linking Visitación Valley with Union Square and Chinatown); implement the Transit Effectiveness Project recommendations and the Bicycle Plan; relocate a new motor coach facility at Islais Creek; implement a series of intelligent transportation system improvements (including NextMuni, SFgo, SFpark, and Translink); and continue its efforts to upgrade and replace its rolling stock, rail lines, overhead wires, radio systems, and traffic signals.

The Airport is proceeding with a Domestic Terminal Redevelopment Plan (DTRP) to address the long-term needs for domestic terminal facilities at Terminals 1 and 2. In December 2008, the Airport completed the first phase of a \$383 million conversion of Terminal 2 Boarding Area D. Scheduled to be completed by February 2011, the Terminal 2 renovation project will convert the existing 10-gate international widebody terminal to a 14-gate domestic narrowbody terminal.

The City also expects to complete a number of interagency and inter-regional projects including the design and construction of two dedicated Bus Rapid Transit lanes along Van Ness Avenue and Geary Boulevard; the electrification of Caltrain for high-speed rail; and the replacement of the outmoded Transbay Terminal at 1st and Mission Streets downtown. In December 2008 the City, Caltrans, and the Transbay Joint Powers Authority broke ground on the temporary facility that will serve bus passengers while the new landmark Transbay Transit Center is under construction. The award of federal stimulus funds to the project will determine the final schedule, with the temporary facility beginning operation in the spring of 2010.



San Francisco Municipal Transportation Agency

Currently, the San Francisco Municipal Transportation Agency (SFMTA) has short-term and long-term processes in place to both prioritize and manage the capital planning process, including its Strategic Plan, this citywide Capital Plan, the 20-year Short Range Transit Plan (S RTP), a 25-year capital program included in the San Francisco Bay Area Regional Transportation Plan (RTP), a federally-required plan for the Central Subway New Starts Criteria Report, and a Capital Asset Management System under development. Collectively, these plans help prioritize the 149 capital projects planned over the next 10 years (FY 2011 through FY 2020).

The SFMTA's Capital Investment Plan (CIP) is the set of capital projects and initiatives that the Agency plans to undertake to systematically replace, rehabilitate, enhance or expand transportation system assets. The principal reasons for having a CIP are to achieve strategic priorities, preserve existing assets, plan for system expansion, and integrate capital planning, prioritization, budgeting and financing. The current CIP is organized into the following programs:

- **Fleet.** The rehabilitation and replacement of transit vehicles, including both transit revenue vehicles used to transport transit passengers (motor coaches, trolley coaches, light rail vehicles, historic streetcars, cable cars, and paratransit vans) as well as non-revenue vehicles used to support the revenue fleet and system infrastructure (e.g., parking and traffic functions).
- **Infrastructure.** The rehabilitation, replacement and modification of tracks, communications, signals, overhead, stations, and cable car systems, as well as ADA-mandated Key Stops, accessibility improvements, and transit preferential streets.
- **Facilities.** Development and management of indoor and outdoor space for the operation, maintenance, administration, and storage needs required to support SFMTA operations, including the improvement and preservation of 40 parking facilities currently managed by the SFMTA.
- **Equipment.** The replacement and acquisition of such essential devices as rail grinders, video cameras, computers, and other tools needed for the continued operation of SFMTA's operating, maintenance, and administrative functions.
- **Other Related Projects.** The inclusion of a limited number of projects that do not fit into the CIP programs described above, including: graffiti prevention, safety, security, Transbay Terminal replacement, and Treasure Island Ferry Terminal. For the latter two projects, the SFMTA serves only as a federal funding pass-through agency. They are covered in more detail in other chapters of this Plan.



Muni is the largest public transportation system in the region (based on ridership), the eighth-largest in the United States and one of the most diverse in the world.



Proposition A amended the City Charter to increase General Fund support for the SFMTA and granted increased authority to issue bonds and set fares, fines, and fees.

- **Transportation Projects.** In addition to the projects above, the SFMTA is also involved in a diverse set of transportation projects that are largely focused on the effective functioning of multiple transportation modes. These include bicycle, pedestrian, traffic calming and parking management programs, including the improvement of signs and signals as well as support for information technology-based programs such as SFpark and SFgo.

It is anticipated that a fully revised SFMTA CIP for FY 2011-2015 will be presented to the SFMTA Board for approval in June 2010. The revised CIP will take a number of key factors into account when assessing potential projects, including the mode, type of project and a number of special factors. At the same time, it will need to enhance project review, transparency and input; consider new projects within budget constraints; and improve the procedure for prioritizing projects. The prioritization will focus on three key themes:

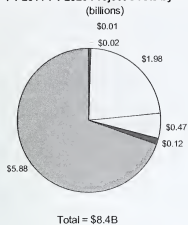
- Environmental Sustainability
- Economic Sustainability
- Social Sustainability and Equity

As a result, the CIP prioritization process is currently being restructured to ensure consistency with the SFMTA Strategic Plan, the changing transportation environment and current financial challenges. Under this new prioritization scheme, the CIP will be in a better position to fully account for a number of factors impacting capital investments including reauthorization of the current federal law regulating transportation planning and spending (SAFETEA-LU), state legislation and regulatory requirements, regional transportation and air quality plans, climate action goals, citywide plans and initiatives. In addition, the CIP will be developed in parallel with the Countywide Transportation Plan update, in coordination with the San Francisco County Transportation Authority (SFCTA).

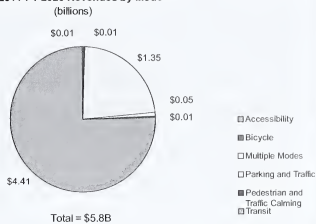
SFMTA's total unconstrained capital need for the aforementioned 149 projects is \$8.4 billion dollars over the next 10 years. This need far outstrips the projected capital revenues of \$5.8 billion dollars (close to 70 percent of the total need), leaving a projected shortfall of \$2.6 billion dollars over this period.

When these projects are categorized by primary mode, it becomes apparent that the transit projects clearly dominate the mix. The following pie charts provide a breakdown of projected cost estimates and identified revenues by mode.

FY 2011-FY 2020 Project Costs by Mode



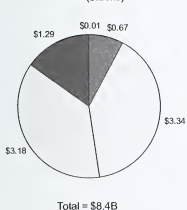
FY 2011-FY 2020 Revenues by Mode



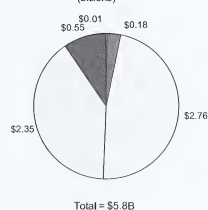
- Accessibility
- Bicycle
- Multiple Modes
- Parking and Traffic
- Pedestrian and Traffic Calming
- Transit

Similarly, it is interesting to observe the distribution of projected capital costs and revenues according to project priority, as defined by the City's Five-Tier Priority System (see Appendix). Over the next decade, almost 75 percent of all proposed capital costs are generated by either renewal (Priority 3) or adopted plan (Priority 4) projects, with over 80 percent of all identified revenues targeted to these same priority areas. The following pie chart provides a breakdown of the Agency's estimated costs and revenues, by priority, for the 10 years covered in this plan.

FY 2011-FY 2020 Project Costs by Mode



FY 2011-FY 2020 Revenues by Mode



- Priority 1-Legal Mandate
- Priority 2-Health, Safety and Security
- Priority 3-Timely Renewal
- Priority 4-Adopted Plan, Board or Mayor
- Priority 5-Economic Vitality



One of 86 new diesel-electric hybrid buses purchased in 2007.

The SFMTA has undertaken a number of strategies to address the projected budget shortfall, including new initiatives facilitated by the passage of Proposition A in November 2007 (which provided SFMTA with greater governing authority and additional funding); revenue-generating strategies, such as advertising and increased fees; and the option to issue bonds. If additional revenues fail to be generated over the coming years, some projects may need to be deferred beyond the 10-year horizon of this plan.

A recent development directly affecting the Capital Plan has been the availability of additional federal funding for a number of major projects. In February 2009, President Barack Obama signed the American Recovery and Reinvestment Act (ARRA), a \$787

billion stimulus package designed to provide incentive to the U.S. economy in the wake of the recent recession. ARRA provides federal funding for infrastructure enhancements, including \$8.4 billion for public transportation across the nation, of which California is to receive \$1.6 billion. The SFMTA has been awarded funds that are directed to “shovel-ready” capital projects designed to rehabilitate, update and renew transit vehicles, facilities and vital systems, as well as to improve customer convenience features. Additionally, the California Department of Transportation (Caltrans) has designated funds for ready-to-go transportation projects that enhance quality of life in or around transportation facilities, with priority given to bicycle and pedestrian projects. Thus far, the SFMTA has secured more than \$72 million in ARRA funding for the 14 projects listed on the following page.

Project	Description	Amount Awarded
1	ATCS Inductive Loop Cable in the Muni Metro Subway	\$1,000,000
2	LRV Doors & Steps Reconditioning	\$9,000,000
3	Bus Yard Workstation Replacement	\$100,000
4	Central Control Interim Line Management Center	\$400,000
5	Infrastructure/Facility Enhancement & Maintenance	\$4,050,001
6	Capital Planning and Grant Management Application	\$250,000
7	Motor Coach Component Life-Cycle Rehabilitation	\$15,355,979
8	Replace Fare Collection Equipment	\$11,000,000
9	Miscellaneous Preventive Maintenance of Track Switches	\$1,000,000
10	Change Machines	\$40,000
11	Cable Car Kiosks	\$350,000
12	Preventive Maintenance	\$22,534,543
13	Operating Assistance	\$6,700,000
14	Inner Sunset Traffic Calming and Transit Enhancements	\$343,000
15	Pedestrian Signal Upgrade	\$589,295
TOTAL ARRA FUNDING AWARDED		\$72,712,818



Muni Metro East Light Rail
Vehicle Facility

Of these projects, two, Motor Coach Component Life Cycle Rehabilitation (#7); and Preventive Maintenance (#12), collectively represent more than 50 percent of ARRA funding awarded to date. At the end of September 2009, close to \$16 million (or 22 percent of all ARRA funds awarded to the SFMTA) had been expended, resulting in the creation and/or retention of an estimated 222 jobs.

1. Renewal Program

The SFMTA initiated a Capital Asset Management Program, integrating asset management and inventory concepts with capital planning, capital improvements, capital budgeting and capital project prioritization concepts. The goal is to identify all assets presently owned and used by SFMTA, determine their lifecycles and identify any existing gaps, and use this information to define which assets may be leveraged or developed to support SFMTA's current and future operations. This will cover all types of capital assets, such as public transit and parking facilities, as well as transit stations, rail/track/guideways, fleets, systems, and equipment.

Based on currently identified needs over the next decade, SFMTA projects to have adequate funding to perform a majority of the renewal and repair projects necessary to maintain current transit service levels. However, this is dependent upon SFMTA receiving all expected funding. Exceptions of note are the fleet overhaul and facilities modernization programs, which are only projected to have a fraction of their identified needs funded. In addition, as part of the Capital Asset Assessment, an evaluation of the level of funding necessary to maintain a state of good repair will be conducted. It is anticipated that this comprehensive assessment will identify additional renewal and replacement needs which will likely outstrip projected funding. Specific renewal project deliverables will include: ongoing cable car renovation and historic vehicle rehabilitation, initiation of the next round of motor coach and trolley coach replacements, farebox replacements, final implementation of automatic fare collection systems (e.g., Translink), rail replacement projects, overhead line rehabilitation, expansion of the NextMuni automatic vehicle locator service, numerous facility safety improvements, replacement of the maintenance lifts at Flynn Yard, and studies of access improvements for the Balboa Park and Glen Park station areas.

Based on its 30-year Expenditure Plan for Proposition K funding, the SFCTA allocates an average of \$4.7 million to SFMTA for Parking and Traffic renewal and repair programs for various signal, sign, and striping projects. These local sales tax funds support maintenance and upgrades of signals and other traffic control devices, including wiring for pedestrian signals, new signal mast arms, raised flashing pavement lights, bike facility markings and signs, transit lane markings and some replacement of red light photo enforcement equipment. While the SFCTA has allocated less than \$4.7 million in annual funding during the initial years of the 30-year plan, it will allocate annual amounts greater than \$4.7 million in future years.

Major Renewal Program initiatives include the following:

- **Fleet Replacement Projects.** Over the coming years, the SFMTA will procure a number of motor coaches and trolley coaches. The next procurement of New Flyer trolley



TransLink smart card technology

coaches will allow for 60 trolley coach vehicles to be replaced in 2012. Similarly, the procurement of motor coaches will allow for 45 vehicles to be replaced in 2013.

- **Traffic Signal Replacement Projects.** This program provides for the replacement and upgrade of the deteriorated or obsolete signal hardware for over 1,100 signalized intersections, including controllers and foundations, vehicle and pedestrian signal heads, poles, conduit, pull boxes, wiring and loop detectors. Additional program goals include modifying signal operations to improve safety and efficiency, and installing signal mast arms to improve visibility. Thus far, more than 330 signals have been rebuilt.
- **SFgo.** This citywide intelligent transportation management system gathers real-time information on current transit and auto traffic flow and congestion, processes and analyzes this information, responds to changes in roadway conditions, provides transit signal priority, and disseminates information to the general public. SFgo aims to manage traffic congestion in the city and improve the overall effectiveness of the transportation system. It will significantly improve existing obsolete and deteriorating traffic signal communications facilities, and will implement a number of Intelligent Transportation System (ITS) technologies.
- **Overhead Line Reconstruction/Replacement Projects.** A major element of this program is reconstruction of the Overhead Catenary System (OCS) in the Muni Metro subway and replacement of trolley wires, overhead special work, and deteriorated trolley poles. Modifications to the OCS include replacement of contact wires, messenger wires, hangers, section insulators, and installation of registration arms and associated OCS hardware. It entails rebuilding 21 circuit breakers and implementing trip units at the traction power substations. The trolley overhead line program also includes construction of new duct-bank and manholes, and the undergrounding of the deteriorated traction power system.
- **Rail Replacement Projects.** The purpose of this program is to keep rail for light rail and historic streetcar operations safe and operational. One key project will replace worn out special track work for K and M Lines at the intersection of St. Francis Boulevard, Sloat Boulevard, West Portal Avenue, and Portola Drive, with replacement of exclusive K-Line tracks north of a single crossover that is to be installed on Junipero Serra Boulevard. Another major project under this category will replace track for the N and J Lines on Duboce Avenue, between Church and Noe streets and on Church between Duboce and Market streets.
- **Central Control and Communications (C3) Program and Radio Replacement Project.** The C3 program is comprised of several projects for systems replacements, facility and communication upgrades for the existing facility, enhancements to an interim location, and construction of a primary Central Control facility. This effort features improvements to the facility and communications/security/ transit management equipment, as SFMTA's

voice and data radio systems are obsolete and in need of replacement. Communication is critical between the fleet, Central Control, the police, fire and security. The SFMTA has embarked on a program to replace this obsolete system with a state-of-the-art, wireless system featuring mobile and handheld radios, mobile data terminals and will interface from new mobile radios to vehicle on-board power, control and communications systems.

- **Cable Car Infrastructure Rehabilitation.** Cable car infrastructure (such as rail, cables, motors, and vehicle detectors) needs to be renewed and replaced while maintaining the historic integrity of the system. This entails upgrading the direct current (DC) motor drives and associated equipment previously installed to reduce maintenance, improve reliability, safety and quality for the city's cable car lines. Three key projects now underway include: propulsion system controller replacement for the entire system, inspection hatch cover replacement, and California Street Line replacement of the communication/data cable and related essential maintenance work.
- **Wayside Train Control Program.** This program ensures that all trolley and rail system for wayside signaling, switching, and automatic routing are maintained in a state of good repair to ensure safe operations. The Advanced Train Control System (ATCS) replaced the fixed-block signal system in the Muni Metro subway with advanced moving-block technology and centralized train control capability, providing platform and on-board announcements of approaching trains and stations. Other projects include signal improvements at St. Francis Circle, in the Sunset Tunnel, and at the Church and Duboce intersection.
- **Facilities.** Many of SFMTA's facilities are old and require significant renovation to bring them up to modern standards. At this time, SFMTA is assessing the state of its facilities and will develop a renewal program that includes the needs for facility expansion.

2. Enhancement Program (FY 2011-2020)

Major capital projects that will expand or enhance current assets and the current level of service priority enhancement needs for the SFMTA include:

- **Central Subway (Third Street Light Rail Phase 2).** Currently, the Central Subway is the highest priority transit project for San Francisco and the single largest capital project in the Capital Plan. It consists of a 1.7 mile extension of the existing Third Street light rail line to Chinatown, beginning with surface rail north from King Street along Fourth Street and continuing in subway under Fourth Street north of Bryant Street. The rail line crosses beneath Market Street and proceeds north, under Stockton Street and the Stockton road tunnel, to a terminus at Stockton and Jackson Streets. The approved alignment recommends a surface stop at Fourth and Brannan, and three underground subway stations, at Moscone Center, Market Street/Union Square and Chinatown.



Bicycle lane on Market Street

In 2008, the project's environmental document was certified, and the Federal Transit Administration granted a Record of Decision. In early 2010, utility relocation will begin along the route with tunnel construction due to commence in 2012. The project is slated to open at the end of 2018 and is expected to carry over 77,000 daily riders by 2030.

- **Metro East Light Rail Vehicle Facility.** This new facility, located on a 13-acre parcel bounded by 25th Street, Illinois Street, Cesar Chavez Street and Louisiana (part of the former Western Pacific Railroad site), allows for the storage, maintenance, and operation of up to 80 light rail vehicles (LRVs). It is needed to support the new Third Street Light Rail line and to relieve overcrowded conditions at the Metro Green Facility, SFMTA's other light rail maintenance facility. While the new facility has been substantially completed and partially occupied, specialized equipment is needed to provide the full range of vehicle maintenance services.
- **Islais Creek Motor Coach Maintenance Facility.** SFMTA plans to replace the Kirkland Motor Coach Division (built in 1950) with a new motor coach facility located along the northern shore of Islais Creek. The new yard will be located on 8.4 acres of land bounded by Cesar Chavez Street, Indiana Street, I-280, and Islais Creek. It will feature parking for 165 of SFMTA's 40' alternative fuel vehicles and 19 non-revenue vehicles, three buildings for 16 service bays, as well as facilities for operations and maintenance, administration, fuel and wash. In addition, SFMTA's alternative fuel vehicles are expected to be stored, operated and maintained at the Islais Creek facility.
- **Transit Preferential Streets (TPS).** This program, which was originally called out in the City's Transit First legislation of 1973, includes the design and implementation of a variety of low- to medium-cost treatments to improve transit vehicle flow. Program elements include exclusive or semi-exclusive transit lanes, colored or textured surface treatments, signal timing priority for transit vehicles (SFgo), bus bulbs, stop relocation, and the replacement of stop signs with signals. Priority corridors have been identified by the Transit Effectiveness Project, including Market Street, 19th Avenue, Potrero Street, outer Mission Street, Stockton Street and Geneva Avenue. Recent projects include N-Line improvements, the installation of audible pedestrian signals on Market Street, and the installation of transit lane signage.
- **NextMuni.** Significant progress has been made on installing the Automated Vehicle Locator (AVL) system (also known as NextMuni) on Muni, as vehicle tracking equipment has been fitted on all revenue modes, including motor coaches, trolley coaches, light rail vehicles, historic streetcars and cable cars. The SFMTA recently contracted to expand the system with 367 additional information display signs and other enhancement work. This program additionally allows customers to access vehicle arrival and departure information on the internet (www.nextmuni.com), at 311 and through mobile telephones.
- **TransLink®.** The Metropolitan Transportation Commission (MTC) and the Bay Area's

transit operators have worked together closely as the TransLink Consortium to implement the TransLink fare collection system regionwide. TransLink is a smart card that keeps track of stored transit value, automatically deducting the correct fares, while keeping track of transfers and discounts. Translink will eventually allow the SFMTA to replace its many paper passes and other fare media with this smart card technology. In late 2008 TransLink entered beta testing, allowing a limited number of customers to help test the system (e.g., SFMTA employees were issued Translink cards as part of the trial user group), and in 2009, TransLink was accepted for payment throughout the SFMTA transit system except for cable cars. SFMTA is also exploring other options, such as a TransLink application at key parking garages, which would offer another method of payment to garage patrons.

- **SFPark.** SFPark is SFMTA's new approach to parking management. The goal is to use policies and technologies to better manage demand for the City's finite parking supply. Goals of SFPark include making it easier and more convenient to find parking, while at the same time reducing double parking and circling for parking. This helps to reduce congestion, greenhouse gas emissions, and improve transit reliability. Via the SFPark pilot projects, San Francisco will be the first city to implement a full array of parking management techniques and technologies. Program elements include new parking meters that accept credit/debit cards, in-pavement sensors that provide real-time data on parking usage, demand-responsive pricing, and allow the SFMTA to provide real-time information about where parking spaces are available, both on-street and in garages and lots. The pilot projects will launch formally in spring 2010.
- **Pedestrian and Traffic Calming Projects.** Pedestrian improvements that are committed within the next decade include repair or reconstruction of curb ramps on the path of travel to key transit stops and stations, expansion of the accessible (audible) pedestrian signal program, and installation of additional pedestrian countdown signals. Traffic calming projects install devices such as speed humps and traffic circles to slow traffic and discourage neighborhood cut-through traffic. Curb bulb-outs and other safety improvements are also funded near several schools.
- **Signals, signs, and ITS projects.** A number of new signals and signs are scheduled to be added to San Francisco streets over the coming years. In addition, various ITS projects are slated to be added, including traffic monitoring cameras, parking guidance signs, and transit signal priority.

3. Deferred Projects

Unless additional funding can be secured, a number of important capital projects will be deferred in the next 10 years. There are also a number of efforts underway that will help the Agency better identify and plan for its capital needs. While the federal economic stimulus

aid (ARRA) has helped, it has been unable to meet all of the Agency's needs. Potential deferred projects include:

- **Mid-life Rebuilds of the Fleet.** Motor coaches, trolley coaches, and light rail vehicles all require mid-life rebuilds in order to attain the required usable life and maintain adequate vehicle availability throughout that period. The total estimated cost, deferred in the past and through the next 10 years, is approximately \$500 million. Funding priorities for federal transit capital dollars in the region do not give priority for midlife rebuilds, and funding availability is limited. This has been one of the Agency's target programs for use of ARRA funding. While addressing some critical components, the funding to date covers only a fraction of the full program.
- **Shop Equipment Program.** Deferred need for the acquisition and replacement of the equipment needed to support all aspects of SFMTA's operations and maintenance functions. A significant backlog of equipment needs exists due to the lack of capital grants available for equipment replacement. The need over the next five years is forecast at \$22 million, with limited funding available, primarily ARRA, leading to a shortfall of \$15 million.
- **Relocation of the Sign Shop and Paint Shop.** Both of these facilities are aging rental properties and there could be long term savings and efficiencies if they were relocated to property owned by SFMTA.
- **Relocation or Remodel of the Parking Meter Shop.** This facility is currently located in City-owned property and has a significant level of deferred maintenance.
- **Signs, Signals, and Striping.** Although funding from Prop K is available for some programmatic repair and maintenance, significant sign and striping needs are still unfunded.

4. Emerging Needs

In addition to the Renewal and Enhancement programs mentioned previously, there are a number of other efforts underway that will help the agency to better identify and plan for its capital needs. These include:

- **Transit Effectiveness Project (TEP).** This project was the first comprehensive review of San Francisco's transit system in more than 25 years. It was an 18-month project designed to review, evaluate, and make recommendations on the existing transit system, with the goal of making service more attractive to the public and lowering operating costs. After a lengthy public outreach effort, in 2008, the SFMTA Board endorsed TEP service recommendations to address the challenges of changing travel patterns, increasing costs, and operational and physical constraints that affect on-time performance. While the focus of the plan was on mid-range improvements (three to

seven years in the future), recommendations were also made for short-term actions. The TEP also analyzed other capital needs, such as changes to the type and size of vehicle fleets, which are slated to be incorporated into the capital program as they are developed. Current activities include the development of a TEP Capital Improvement Plan and environmental clearance. The SFMTA will integrate about \$200 million in capital projects recommended by the TEP into the overall Capital Investment Plan. It is estimated that more than half of these funds will be devoted to stops (e.g., shelters and customer information) and bus infrastructure, especially overhead trolley wiring. In addition, the TEP Enhanced Plan aims to strategically bolster transit by increasing service, adding key extensions and improving regional connections, such as the historic streetcar extension to Fort Mason and the extension of the M line to Daly City BART.

- **Bicycle Program.** The Bicycle Plan aims to provide a safe and attractive environment for promoting bicycling as a viable travel mode. The Bicycle Plan includes a policy document; new design guidelines for a wide range of bicycle facilities; and a revised Bicycle Route Network that emphasizes expansion and refinement of the existing Bicycle Route Network. Due to a court injunction introduced in 2006, the Bicycle Plan and any related physical improvements were put on hold. In June 2009, the Bicycle Plan was approved by the SFMTA Board of Directors and the Bicycle Plan's Environmental Impact Report was certified by the San Francisco Planning Commission. Subsequently, in November 2009, the court injunction was partially lifted, allowing for the timely implementation of 10 bicycle projects. These actions represent an important step toward fully lifting the court injunction, which is due to be considered in early 2010. The SFMTA is preparing for rapid implementation of some 60 bike projects after environmental clearance and lifting of the injunction, possibly starting in early 2010.
- **Pedestrian Program.** SFMTA's Pedestrian Program promotes safety and convenience for walkers, develops new policies and tests a number of innovative technologies and approaches to further these goals. San Francisco was the first city to receive federal approval for the citywide use of pedestrian countdown signals, now operating at over 980 intersections within San Francisco. The Pedestrian Program continues to advance safety and will be installing continental crosswalks to improve visibility at many of its non-signalized intersections. Additionally, the Program will be increasing the "red zones" or no parking zones near crosswalks to improve crosswalk visibility. Ongoing and past projects include the testing of flashing in-pavement crosswalk lights, adding and improving pedestrian refuge areas, and the citywide conversion of crossing warning signs to brighter fluorescent versions. The SFMTA and several other agencies released the Draft Better Streets Plan in June 2008. This is an innovative effort to provide detailed design guidelines and policies toward a safer, more sustainable and accessible pedestrian environment. The Better Streets Plan has completed its environmental review, and is anticipated for final approval in the spring of 2010.

- **Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS).** SFMTA is leading a multi-agency partnership with the Planning Department and the San Francisco County Transportation Authority that is expected to minimize transportation impacts by identifying key transit-oriented, pedestrian-friendly infrastructure projects timed to support growth in the Eastern Neighborhoods over the next 20 years. It will study the transportation network of San Francisco's Eastern Neighborhoods (East SoMa, the Mission, Showplace Square/Potrero Hill and the Central Waterfront) together with surrounding high-growth areas of Western SoMa, Transbay District, Rincon Hill and Mission Bay. Most of the City's new residential and commercial growth over the next 20 years will occur in these areas. EN TRIPS will focus on developing and designing implementation ready projects and programs addressing multiple transportation themes, including transit, bicycles, pedestrians, traffic, parking and goods movement.

The Board of Supervisors identified a short list of priority Eastern Neighborhoods Early Start Capital Projects deemed critical to support land use changes. EN TRIPS is expected to address the following key projects: Folsom Street Redesign (including possible two-way conversion); 16th Street Corridor Transit Improvements (including the extension of the 22-Fillmore trolley line to Third Street); and Townsend Street Pedestrian Improvements. The outreach and public input process for EN TRIPS will also identify other key projects to address through the EN TRIPS study.

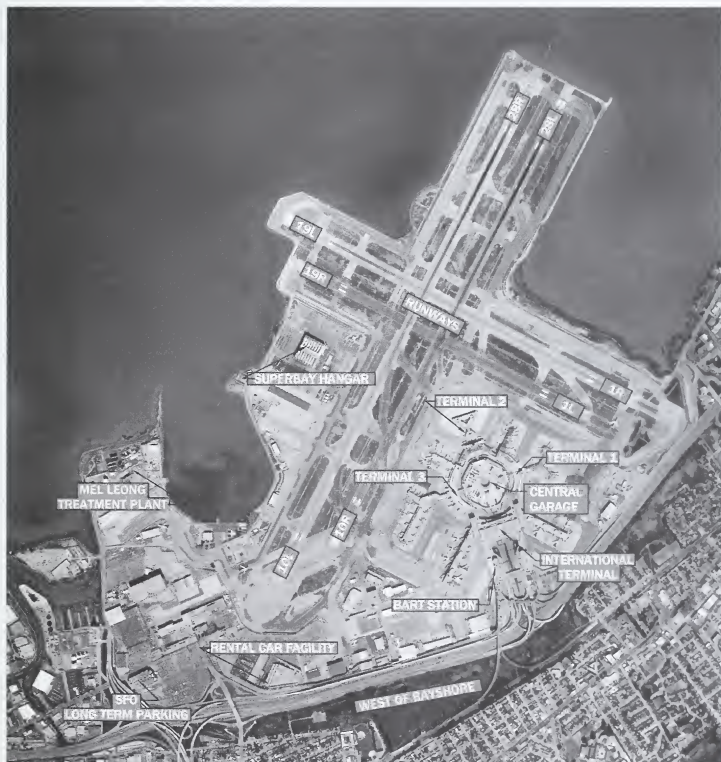
5. Interagency Projects

In addition to the projects described above, the SFMTA is working with other public agencies to coordinate several interagency projects including Bus Rapid Transit, Caltrain, Better Neighborhoods, and other urban planning initiatives at Candlestick Point/Hunters Point, Treasure Island and Park Merced. See the Interagency Initiatives section for more information.

San Francisco International Airport

SFO

San Francisco International Airport





San Francisco International Airport occupies approximately 5,171 acres within unincorporated San Mateo County, 2,383 acres of which have been developed for Airport use. The Airport manages four runways, 88 operational gates and four terminal buildings in addition to 32 miles of roadways, five parking garages, the AirTrain transit service, a rental car facility, leased cargo and maintenance facilities, a waste treatment plant, and more than 274 miles of pipelines, ducts, power, and pump stations for water, sewage, storm drainage, industrial waste, gas, electrical, and telecommunications distribution systems.

A. Airport Capital Planning Process

The Airport is committed to long-term infrastructure planning and annually updates its 5-Year Capital Plan, which serves as the foundation for the Ten-Year Capital Improvement & Facilities Maintenance Plan. The plans are developed through an extensive annual review process involving participation from senior Airport staff, the Airport Director, the Airlines, the Airport Commission, and the Airport Financial Advisory Committee, which includes the Deputy City Controller, the Director of the Controller's Office of Public Finance, and members from the financial services industry.

Airport Commission Capital Planning Policies govern the advancement, implementation, and management of capital projects profiled in the Five-Year and Ten-Year Capital Plans. The Capital Planning Policies provide strategic guidelines for the Airport capital program regarding:

- The responsibilities and authority of the Airport Commission, the City Administrator, the Board of Supervisors and the Controller's Office;
- Airline review of capital projects;
- Federal tax limitations on the use of revenue bond proceeds;
- The process for the ongoing development and updates to the Capital Plans;
- All potential sources of funding, including Bonds, Grants, Passenger Facility Charges, and other revenues; and
- Management of the capital program.

B. Airport Plan Highlights

The FY2011 - 2020 Capital Plan continues the major efforts that were initiated in prior plans and includes essential capital projects that are required to meet the needs of airlines and passengers. Because of continuing weak consumer spending and the challenges accessing capital markets, the Airport is carefully monitoring all capital project activity. Fortunately for the Airport, passenger enplanements have remained relatively stable, with a 1.1% decrease in FY2008/09 and forecast growth of 3.8 percent for FY 2009/10. The FY2009/10 cost per enplanement (CPE), the standard Airport expense metric, is forecasted at \$13.94, which is 29% lower than the post 9/11 FY2002/03 CPE of \$19.62.

In 2008, due to growth in domestic passenger traffic from low cost carrier airlines, the Airport embarked upon a \$383 million design-build engineering and construction project to convert Terminal 2 Boarding Area D from a ten-gate international widebody aircraft terminal to a 14-gate domestic narrowbody aircraft terminal. The renovation project includes modifications to the terminal building's interior space such as hold rooms, concession space, and baggage claim areas along with building systems and upgrades to the arrival and departure levels. Phase 1 demolition and deconstruction work was completed in December 2008. The Terminal 2 renovation project is scheduled to be completed in the spring of 2011.

The FY2011 – 2019 Capital Plan includes 12 new projects, such as:

- **Terminal 3 Boarding Area E Renovations.** This two-year \$22.5 million project provides structural, mechanical, electrical, and special systems improvements as well as refurbishments for Terminal 3 Boarding Area E to extend the service life of this terminal facility by an additional ten years.
- **International Terminal Baggage Handling System and Passenger Boarding Improvements.** This three-year \$19.1 million project upgrades the safety features of the 48 Airport-owned passenger boarding bridges at International Terminal Boarding Areas A and G. The project scope also upgrades the International Terminal baggage handling system.
- **International Terminal Common Use Systems Improvements.** This project, budgeted at \$13.6 million over three years, will replace all the hardware and software with the system capable to process passengers and baggage throughout the International Terminal Building. This project also modifies and refurbishes the International Terminal Building passenger check in counters and boarding gate podiums and will upgrade the overhead information systems and passenger processing electronics to complete a full refurbishment.

Passenger Enplanements

2007/08:	18.4M
2008/09:	18.2M
2009/10:	18.9M (est.)

Passenger Growth

2007/08:	7.8%
2008/09:	(1.1 %)
2009/10:	(3.8%) (est.)

Cost per Enplanement

2002/03:	\$19.62
2007/08:	\$13.72
2008/09:	\$13.94 (est.)



Rendering of Terminal 2
Renovation Project

- **Noise Insulation Program.** This ten-year \$13.1 million project is a continuation of the noise abatement program undertaken by the Airport since the 1980s. This project will provide acoustic treatment to homes previously not insulated because the owner chose not to participate in the program at the time. This project will install acoustic treatment in homes located within the noise contour that have new home owners and wish to participate in the program.

The 10-Year, \$1.1 billion Capital and Facilities Maintenance Plan (Airport Plan) includes the following projected requirements:

- \$1.1 billion in capital improvement projects spanning the ten-year period. The plan completes funding the \$383 million Terminal 2 / Boarding Area D Renovation Project initiated in 2008 and scheduled for completion in 2011.
- \$64.5 million in facilities maintenance projects to cover the cost of non-routine maintenance and repair projects over the next ten years. These needs are annually approved and funded as operating budget projects within the Facilities Division.



Airbus A380 Taxiing

- \$35.9 million in deferred facility maintenance over the coming ten-year period. These items are assigned a less urgent priority and are separately identified from those in the renewal budget. Deferred maintenance items are typically re-categorized as facilities maintenance projects based upon regularly scheduled assessments for asset condition and remaining useful lives.

The Airport Plan identifies the following funding sources to meet the projected ten-year infrastructure needs:

- \$689.0 million in revenue bond funds
- \$245.3 million in federal and state grants
- \$103.5 million in passenger facility charges
- \$64.5 million in operating funds
- \$29.1million in other funding sources funds

1. Renewal Program \$100.4 Million (FY2011-2020)

The Facilities Division determines Airport facility maintenance requirements using the City's Facilities Resource Renewal Model (FRRM) for buildings and general support and uses other dedicated systems to assess asset renewal life cycles for airfield support structures, pavement infrastructure, and Airport utilities.

An estimated \$100.4 million will be required to fund facilities maintenance and renewal projects over the next ten years. These repair and renewal projects are funded through each year's annual operating budget whereas enhancements and capital improvements are often multi-year endeavors that are financed with capital funds. The \$100.4 million does not include projects that are identified as deferred maintenance. Approximately \$35.9 million is identified as unfunded deferred maintenance and this amount is shown in the accompanying financial projections as a funding shortfall. Deferred maintenance is categorized as projects that are temporarily delayed based upon Airport priorities and the availability of resources. The Airport considers renewals to be general repair and replacement of building systems, such as a roof repair. Most of the projects for the Airport are enhancements, including runways, taxiways, and fire systems because of the complexity, scale and scope of these projects. These are projects that not only increase the asset's value, but also are significant projects that require debt financing and are multi-year.



Mobile Command Post

2. Enhancement Program \$1.1 Billion (FY2011-2020)

- **Airfield.** \$211.1 million to overlay, reconstruct, and improve common landing areas, runways, taxiways, ramps, aprons, adjacent infield areas, and related support facilities, including: Airfield Improvements. \$73.9 million to reconstruct various airfield areas including Airfield perimeter security fencing, video surveillance systems, perimeter lighting and other security systems.
 - » Airfield Improvements – \$65.9 million to reconstruct various airfield areas including Airfield perimeter security fencing, video surveillance systems, perimeter lighting and other security systems.
 - » Taxiways – \$34.3 million to reconstruct taxiways, vehicle service roads, aprons, upgrade / replace airfield infrastructure, and improve airfield markings.
 - » Airfield Capital Equipment – \$4.9 million to replace aging vehicles, generators, and other capital equipment.
 - » Runways – \$57.7 million for overlays and reconstruction of Airport runways;
 - » Airfield Utilities – \$12.7 million for improvements to power distribution, communications infrastructure, storm drainage system replacement/expansion, and construction of a new field lighting building; and

- » Runway Safety Areas (RSA) and Engineered Materials Arresting Systems (EMAS)
 - \$35.6 million to design and construct runway improvements in accordance with Federal Aviation Administration (FAA) guidelines to meet the recommended 1,000 foot safety zone at the end of each runway, or EMAS to prevent aircraft from passing beyond the available safety zone.
- **Airport Support.** \$270.1 million to expand and improve areas and facilities which support airline functions (e.g. hangars, aircraft maintenance facilities, etc.) and government installations (e.g. FAA, FBI, Post Office), including:
 - » New Air Traffic Control Tower – \$81 million to construct a new Air Traffic Control Tower , and \$22.9 million to demolish the existing control tower that is not designed to comply with current seismic standards, for a total of \$104 million.
 - » Noise Insulation Program: \$13.1 million to support federal grant programs for minimizing the impact of aircraft noise in the communities surrounding the Airport.
 - » Hanger Facility Improvements: \$16.0 million to replace fire suppression systems and other major building components.
 - » Security Improvements – \$45.9 million to replace the Access Control System, expand the Security Access Office, and to construct an Airfield Operations Facility, Security Access Office.
 - » Airport Support Facility Improvements – \$61.2 million to rebuild and enhance facilities that are scheduled to be renewed.
 - » Technology Systems Improvements – \$20.1 million to upgrade and replace existing technology assets that will become either physically or functionally obsolete and to expand newer technology systems that have become mainstream operating standards for conducting business.
 - » Support Equipment – \$6.3 million to replace specialized vehicles for aircraft rescue and firefighting, marine rescue watercraft, and construct an emergency marine response facility.
 - » Americans with Disabilities Act (ADA) Improvements – \$3.5 million to address improvements for disability access and general public accommodation.
- **Groundside.** \$84.3 million to rebuild, seismically reinforce, and enhance roadways and parkways, courtyards, fences, bridges, the AirTrain system, the Rental Car Center, public parking lots, and garages, including:
 - » Viaduct Improvements – \$9.4 million to continue Phase 2 of the project to reinforce the main roadway connecting terminals;

» Public Parking Lot/Garage Improvements – \$15.8 million to rebuild and enhance parking facilities;

» Roadway Improvements -- \$33.3 million to rebuild and expand Airport roadways; and reroute utilities

» AirTrain Improvements -- \$16.5 million to upgrade and replace AirTrain system components, ancillary facilities infrastructure and equipment and install closed circuit television.



*Secure Connector from
International Terminal to
Terminal 3*

» Freeway Signage Improvements. \$1.6 million to replace aged signage on freeway ramps with new units that provide greater functionality, are energy efficient, and require less maintenance.

» Expressway Ramp Improvements. \$0.2 million to construct a grade-separated ramp near the Airport Rental Car Center for connecting San Bruno Avenue southbound traffic to Highway 101.

» Groundside Support Systems. \$7.0 million to replace the aged automated vehicle identification system, upgrade the taxi revenue system, and install closed-circuit television cameras on all AirTrain vehicles.

• **Terminals.** \$268.9 million to rebuild and upgrade areas within the terminal complex such as the Airport concourses, boarding areas, pedestrian bridges, lobbies, offices, baggage facilities and storage, including:

» Terminal 2 Boarding Area D Renovation -- \$18.7 million final installment to transform the old 10-gate international terminal into a modern 14-gate domestic narrow body aircraft terminal. The project includes interior space renovations to concession spaces, baggage claim areas, and building systems encompassing separate arrival and departure levels.

» Terminal Facility Renovations -- \$234.8 million to install terminal safety improvements, implement domestic terminal systems infrastructure improvements, replace aged equipment, seismically upgrade Terminal 3, and enhance all terminal building systems and structures exclusive of the Terminal 2 Boarding Area D Renovation project, upgrade terminal building systems and structures exclusive of the Terminal 2 Boarding Area D Renovation project.

» Escalator, Moving Walks and Elevator Improvements -- \$15.4 million to replace and upgrade terminal escalators, moving walks and elevators.

• **Utilities.** \$231.5 million to rebuild facilities for water, reclaimed water, sewage, storm

drainage, industrial waste, central plan systems, telecommunications, gas and electricity including:

- » Power and Lighting System Improvements - \$74.5 million to replace and upgrade airfield power and lighting systems and supporting infrastructure.



Installation of electrical conduits

- » Wastewater System Improvements -- \$62.5 million to replace aging drainage and sewage systems including the construction of a new industrial waste processing facility within the Mel Leong Treatment Plant.
 - » Storm Drain Improvements. \$14.9 million to replace critical sections of the aging network of storm drains.
 - » Central Plant Improvements -- \$39.3 million to rebuild and provide energy-efficient upgrades to central plant systems;
 - » Telecommunication System Improvements -- \$15.8 million to upgrade, replace, and expand the network of duct banks, conduits, and cabling. This project will also fund improvements to telecommunications system rooms and critical wiring sites; and
 - » Water Systems Improvements -- \$24.5 million to rebuild water system infrastructure including phased replacements for water mains.
- **West of Bayshore.** \$1.0 million to manage drainage requirements and enhance habitat in the South Lomita and Cupid Row canals. Located west of U.S. Highway 101, the Airport Commission has jurisdiction over this property as well as responsibility for protecting endangered species inhabiting the area.

3. Emerging Needs

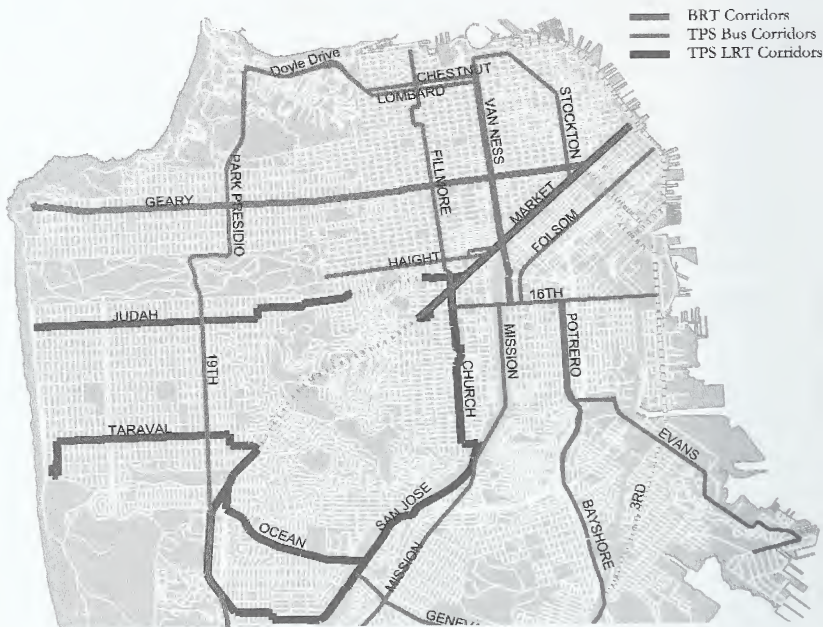
- **Airport Traffic Control Tower.** A new 216-foot control tower will be constructed to replace the existing FAA Control Tower at Terminal 2 that is nearing the end of its useful life and does not meet current seismic standards. The replacement tower will be located between Terminals 1 and 2 and will provide air traffic observation capabilities comparable to the existing tower. The old tower will be removed within six months after the completion of the new tower. As identified in this ten-year Plan, the updated project construction cost for the new FAA control tower is estimated at \$81.1 million and construction costs will be funded by the FAA.

The FAA is expected to provide grants that will fund up to \$81.1 million of the construction cost for the new tower. The Airport will commit \$22.9 million for the demolition of the existing control tower. The Airport is working with the FAA regarding the assignment of management oversight responsibilities for designing and constructing the new control tower. The Airport and the FAA have forged a commitment to expedite this project, as

- **Terminal 1 Redevelopment.** The 1989 SFO Master Plan proposed the redevelopment of Terminal 1, Boarding Area B due to the age and condition of the facility. The ongoing maintenance requirements of the building and associated building systems are significant due to the continued settling of the 1960's-era boarding area. While the Airport has maintained the boarding area and made capital investments to keep the facility operational over the last ten years, Terminal 1, Boarding Area B are accommodating many more passengers than designed to handle.

In 2007, the Airport initiated a planning study for the redevelopment of Terminal 1. Through the first phase of planning, the Airport identified a preferred alternative for the redevelopment of the terminal building and Boarding Area B. The new terminal layout would provide improved passenger processing facilities (e.g., ticketing, security screening, and baggage claim areas), airline support facilities, and aircraft operating environment (including improvements to taxi lane layouts in the vicinity of the terminal boarding areas to improve the operational capability of the Airport and reduce aircraft delays). The redevelopment of Terminal 1 would only be initiated if and when needed to meet increased demand for domestic travel in future years.

Interagency Initiatives



Retaining and expanding transit's share of travel in San Francisco is a major strategic challenge for the city as it grows into the future. In addition to MTA bus, trolley, cable car, and light rail service, this requires coordination and planning with a number of regional transportation authorities including the San Francisco County Transportation Authority (SFCTA), the Peninsula Corridor Joint Powers Board (Caltrain), and the Transbay Joint Powers Authority (TJPA). Major interagency capital projects include implementation of Bus Rapid Transit along Geary Boulevard and Van Ness Avenue, maintenance and improvement of Caltrain, and the rebuild of the Transbay Terminal. In 2010, the SFCTA will launch an update to the 2004 Long-Range Countywide Transportation Plan, which will evaluate existing needs and growth trends in an effort to develop updated transportation sector policies, strategies and investment priorities for sustainable growth.

Bus Rapid Transit (BRT)

The City's 2004 Countywide Transportation Plan helps to implement San Francisco's Transit First Policy by funding cost-effective Bus Rapid Transit (BRT) treatments on the city's network of Transit Preferential Streets (TPS, see map on previous page).

BRT is a new mode of transit for San Francisco, developed to deliver many of the benefits of light rail at lower cost with buses. It is a high-quality transit service that reduces travel time, increases reliability, and improves passenger comfort primarily by giving the bus an exclusive lane so it can operate faster and more reliably. Key components of a BRT system include: dedicated lanes or exclusive guideways; modern, low-floor, high-capacity buses; high quality bus stops; streetscape improvements and pedestrian amenities; proof of payment and all door boarding; and advanced transit and traffic management systems such as signal priority and real-time information systems.

The SFCTA, in partnership with SFMTA, is currently conducting environmental studies for two BRT projects—Van Ness Avenue and Geary. Van Ness Avenue is a key north-south spine in San Francisco's transit system carrying over 20,000 riders daily, while the Geary corridor is the most heavily used transit route in northern San Francisco with approximately 55,000 daily riders. Although these lines operate at high-frequencies, they are plagued by a variety of traffic and transit conditions that degrade both the travel time and reliability of service.

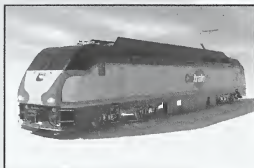
The environmental review of the Van Ness BRT project includes analysis of the replacement of the decorative Overhead Catenary Systems support / streetlight poles on Van Ness Avenue, as these poles are nearing the end of their useful life and may be affected by

The SFCTA administers the Proposition K half-cent local transportation sales tax program, passed by 75% of San Francisco voters in November 2003.



*Computer Rendering of
Proposed Van Ness Avenue Bus
Rapid Transit*

the potential BRT project. While the SFCTA is addressing the environmental review of the project, the design, funding and implementation of the project is a shared effort between SFMTA and SFPUC. The Geary BRT project is also addressing special infrastructure needs of its own. These include two grade-separated intersections at Fillmore and Masonic, and measures to reduce construction impacts should there be a decision to convert BRT to rail in the future.



Conceptual rendering of a Caltrain rapid electric rail locomotive

Improvements on Van Ness and Geary have been prioritized for funding through the 2003 voter-approved transportation sales tax measure (Prop K) and the 2005 Prop K Strategic Plan. Following environmental review of each project, final design could be undertaken, with BRT service on Van Ness beginning as early as 2014 and on Geary beginning in 2015/16.

Caltrain

Along with San Mateo and Santa Clara counties, San Francisco is a representative member of the Peninsula Corridor Joint Powers Board (JPB) which operates and maintains Caltrain. According to the 1996 Joint Powers Agreement, funding for system-wide capital improvements are shared equally among the three members, while local improvements are, in general, borne by the County partner in which the improvements are located.

As provided for in the following worksheet, the total estimated cost for the ten-year JPB Capital Improvement Program (CIP) is \$2.09 billion. This includes basic maintenance and renewal costs as well as major enhancements such as the conversion to an electrified system and signal upgrades.

1. Renewals

San Francisco's share for matching and/or funding system-wide improvements, excluding electrification, is anticipated to be \$50.6 million over the ten year term of the Plan. In addition, the JPB is seeking a one-time local match of \$1.725 million from San Francisco in FY 2009 for an estimated \$18 million project to replace three San Francisco bridges at 22nd, 23rd and Paul Avenues. The matching funds will leverage close to \$16 million in federal grants. These three San Francisco bridges were given low sufficiency rating by the California Department of Transportation (Caltrans), have reached the end of their useful lives, and are in urgent need of replacement. Construction for this project is currently scheduled to begin in December 2009 and full funding needs to be secured no later than early 2009.

2. Enhancement Program (FY2011-2020)

The JPB CIP has included \$28 million in San Francisco Regional Transportation

20 diesel locomotives and 73 gallery cars (2/3^{ds} of the total fleet) are scheduled for replacement in 2014.

Improvement Program (RTIP) and \$20.5 million in Proposition K (both in 2001 dollars) in Table 2 as commitments toward the \$785 million (in year of construction dollars) Caltrain Electrification Program. The Electrification program is the centerpiece in Caltrain's proposed CIP to transform the system from commuter rail to a state-of-the-art rapid rail system from San Francisco to San Jose through electrification of the main line, installation of catenary poles and wire, utility relocation, vertical clearance improvements and construction of power substations. This will eventually connect with California High Speed Rail projects from Sacramento to San Diego, allowing travel speeds of up to 220 mph. Work will occur in the next five to eight years and will dovetail with the scheduled replacement of the majority of the fleet with modern, light-weight, and higher speed rolling stock. The total project cost for the Electrification Infrastructure program in year of construction dollars is \$785 million, while the replacement of rolling stock is estimated to cost \$440 million (in year of procurement dollars).

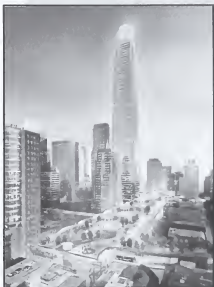
The SFCTA, in partnership with the SFMTA, is also coordinating with Caltrain/JPB staff to evaluate construction of an infill station at Oakdale Avenue. This station would serve as a much-needed regional transit connection for the Bayview/Hunters Point areas. This team is also working to ensure that plans for electrification and bridge repair/replacement do not preclude the potential construction of a new station at this location.

Transbay Terminal

The Transbay Terminal project consists of three interconnected elements: (1) replacing the outmoded Transbay Terminal at First and Mission Streets with the modern Transbay Transit Center; (2) extending Caltrain 1.3 miles from Fourth and King Streets downtown into the new Transbay Transit Center at 1st and Mission, with accommodations for future High-Speed Rail (see the SFMTA subchapter above); and (3) creating a new transit-friendly neighborhood with 2,600 new homes (35% of which will be affordable), and mixed use commercial development.

The first phase of the project began with the building of the temporary terminal, commencing in 2008, to serve passengers while the new Transit Center is under construction. Construction of the new landmark Transit Center and complementary Transit Tower is scheduled to begin in 2010 and be completed in 2014. This first phase of the project includes design and construction of the Transit Center building, the rail foundation, bus ramps, and bus storage facilities, and design of the underground rail level component of the Transit Center. The second phase of the project, the construction of the Caltrain Downtown Rail Extension, is estimated to begin in 2012 and be completed and operational by 2018, or earlier, if funding allows.

The Transbay Transit Center will help centralize a fractured regional transportation network



by building an intermodal hub that will be used by MUNI, AC Transit, Golden Gate Transit, Caltrain, SamTrans, WestCAT, Greyhound, and Paratransit and will accommodate the future California High-Speed Rail line. By 2020, upwards of 29 million people are estimated to use this 'Grand Central of the West' each year. The new Transit Center will accommodate more than 45 million people, which includes those who come to enjoy the retail component as well as transit passengers. The project's capital cost is estimated at \$4.2 billion, escalated to the year of expenditure (YOE). It is funded by local, regional, state and federal funds. The first phase, which completes the above-ground portion of the Transit Center building, is fully funded at \$1.189 billion (YOE).

On September 20, 2007, the TJPA Board unanimously selected Pelli Clarke Pelli Architects and Hines to design and develop the new landmark Transbay Transit Center and Transit Tower. Design and engineering of the Transit Center is now well underway, with the temporary facility between Howard and Folsom, Main and Beale scheduled to open in spring 2010.

Transportation

Program / Project	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
SPENDING PLAN								
Municipal Transportation Agency (SFMTA)	0	929,969	887,221	1,055,031	1,138,007	1,130,459	3,350,035	8,488,722
International Airport (SFO)	0	181,431	198,521	138,766	156,368	159,696	332,493	1,167,275
Interagency Initiatives	477,618	363,142	585,208	760,408	1,138,796	1,311,344	2,040,697	6,609,707
TOTAL	477,618	1,474,542	1,670,950	1,952,206	2,433,170	2,601,499	5,723,225	15,855,592
REVENUES								
Local	125,626	324,351	526,350	493,250	454,784	994,517	1,911,347	4,704,599
Regional	241,695	133,013	225,470	281,083	274,642	55,377	174,512	1,144,098
Federal	110,905	255,998	430,639	416,395	441,767	552,249	1,535,696	3,632,744
State	27,346	153,496	113,057	124,398	223,912	132,986	266,709	1,014,558
Other	0	79,626	81,977	54,954	95,783	37,211	159,745	509,286
TOTAL	505,571	946,485	1,377,493	1,370,080	1,490,887	1,772,339	4,048,009	11,005,293
Total San Francisco Jobs/Year*		573,308	590,234	395,666	689,639	267,917	1,150,163	3,666,928

*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).

Annual Surplus (Shortfall)	(528,057)	(293,457)	(582,126)	(942,283)	(829,160)	(1,675,216)	(4,850,289)
Cumulative Surplus (Shortfall)		(821,514)	(1,403,640)	(2,345,923)	(3,175,083)	(4,850,299)	

Municipal Transportation Agency (SFMTA)

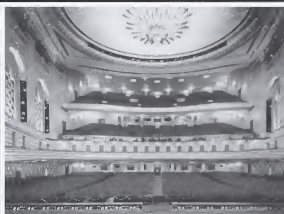
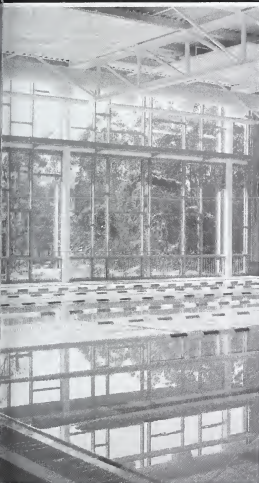
Plan Total

San Francisco International Airport (SFO)

Program / Project	Prior Years				FY 2016 - FY 2020	Plan Total
Renewal and Deferred Maintenance-Needs	11,819	10,450	12,738	12,501	11,035	41,820
100,363						
SPENDING PLAN						
Renewal (operating budget)	4,000	6,000	6,000	6,500	7,000	76,820
106,320						
Capital Plan by Airport Cost Center						
Airfield	36,485	53,967	15,347	28,517	28,600	48,170
Airport Support	43,024	54,986	37,110	28,687	48,972	57,325
Grounds/de	18,904	10,969	12,302	12,664	10,165	19,300
Terminals	47,661	31,494	28,101	32,124	20,497	109,048
Utilities	23,039	36,156	33,169	41,875	40,427	56,830
West of Bayshore	500	500	0	0	0	0
1,000						
Subtotal Capital Plan	169,612	188,071	126,028	143,867	148,661	290,673
1,066,912						
Total Operating & Capital Needs	181,431	198,521	138,766	156,368	159,696	332,493
1,167,275						
REVENUES						
Operating Budget (Renewal/Maintenance)	4,000	6,000	6,000	6,500	7,000	35,000
64,500						
Capital Sources						
Reprogrammed Funds	29,094	0	0	0	0	0
PFC funds	0	0	12,475	13,000	13,000	65,000
103,475						
Grants	46,949	67,402	34,622	32,783	24,211	39,378
245,345						
Subtotal for New Capital Sources	76,043	67,402	47,097	45,783	37,211	104,378
377,914						
Future revenue bonds / capital borrowings	93,569	120,669	76,931	98,083	111,450	186,295
688,998						
Total Capital Sources	169,612	188,071	126,028	143,867	148,661	290,673
1,066,912						
Total Operating and Capital Sources	173,612	194,071	132,028	150,367	155,661	325,673
1,131,412						
Total San Francisco Jobs/Year	1,250	1,397	951	1,083	1,121	2,345
8,146						
Annual Surplus (Shortfall)	(7,819)	(4,450)	(6,738)	(6,001)	(4,035)	(6,820)
Cumulative Surplus (Shortfall)	(12,269)	(12,269)	(19,007)	(25,008)	(29,043)	(35,863)
(35,863)						

Interagency Initiatives

Program / Project	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
<u>SPENDING PLAN</u>								
Bus Rapid Transit								
Van Ness BRT	1,557	853	3,565	7,754	74,369	30,352		118,248
Geary BRT	1,000	3,308	4,575	1,775	9,000	73,000	40,000	217,000
BRT Subtotal	2,557	4,161	8,140	9,529	83,369	103,352	40,000	335,248
<u>Caltrain</u>								
Replace SF Bridges - 22nd, 23rd, and Paul Ave	3,000	0	15,000	0	0	0	0	15,000
Rolling Stock Replacement	0	1,600	1,000	80,000	120,000	120,000	117,400	440,000
Electrification Infrastructure	30,975	14,347	96,309	159,273	171,995	104,787	29,970	576,681
Other	117,671	146,453	100,650	185,118	303,327	201,949	1,057,281	1,057,776
Caltrain Subtotal	151,646	162,400	212,959	424,391	595,322	426,736	267,651	2,089,459
<u>Transbay Terminal</u>								
Phase I	227,133	157,098	300,920	190,530	188,782	124,537		1,189,000
Phase II	96,282	39,483	63,189	135,958	271,323	656,719	1,733,046	2,966,000
Transbay Subtotal	323,415	196,581	364,109	326,488	460,105	781,256	1,733,046	4,165,000
TOTAL	477,618	363,142	585,208	760,408	1,138,796	1,311,344	2,040,697	6,609,707
<u>REVENUES</u>								
Local - SF Prop K	125,626	30,437	31,469	35,929	22,614	9,198	26,506	156,153
Local - Transbay TDRs & Land Sales	0	81,831	233,379	114,310	0	4,040	422,821	856,381
Regional - Caltrain (SMCTA, VTA, ACE & Bridge Tolls)	96,856	87,388	176,984	219,945	156,553	44,695	174,512	860,088
Regional - Transbay (SMCTA, Bridge Tolls, Lease, Other)	144,839	45,625	48,486	61,138	118,079	10,682	0	284,010
State	27,346	94,328	45,840	50,060	103,650	43,650	86,250	423,778
Federal	110,905	45,525	79,051	143,865	208,573	204,675	626,072	1,307,759
BRT Other	0	3,583	14,575	7,856	50,000	0	55,367	131,382
TOTAL	505,571	388,717	629,784	633,104	659,479	316,940	1,391,528	4,019,551
Total San Francisco Jobs/Year	3,640	2,799	4,534	4,558	4,748	2,282	10,019	28,941
<u>Annual Surplus (Shortfall)</u>								
Annual Surplus (Shortfall)		25,575	44,576	(127,304)	(479,318)	(994,405)	(649,170)	(2,590,156)
<u>Cumulative Surplus (Shortfall)</u>								
Cumulative Surplus (Shortfall)			70,152	(57,153)	(536,470)	(1,530,875)	(2,180,044)	



VI | Recreation, Culture & Education

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Legend

- | | | | |
|---|----------------------------|---|----------------------------------|
|  | SF Unified School District |  | Community and Recreation Centers |
|  | Fine Arts Museums |  | Public Library |
|  | Arts and Cultural Centers |  | Parks and Open Space |

Recreation, Culture & Education

The Recreation and Parks Department (RPD), Arts agencies, Public Library, and School Districts operate over 460 facilities and properties that provide a broad array of recreational, cultural, and educational services for the City.

In terms of recreation, RPD has jurisdiction over 230 properties with hundreds of buildings and recreation facilities throughout San Francisco and also owns Sharp Park and Camp Mather outside the city limits. In terms of Culture and Education, the City owns 27 branch libraries, four major civic center arts facilities and auditoriums, four neighborhood arts cultural facilities, over 3000 public art objects and monuments, and a vacant arts gallery. Additionally, the San Francisco Unified School District operates 183 distinct facilities that serve 56,236 students, and the San Francisco Community College District serves over 35,000 full-time equivalent students on twelve campuses.

Highlights and Accomplishments

The recent opening of major museums and the passage of bonds for libraries, parks, and schools reveals the City's commitment to Recreation, Culture, and Education facilities. Each of these areas are discussed below, with the external Education agencies included at the end of the chapter.

Recreation and Parks System

The \$185 million Clean and Safe Neighborhood Parks General Obligation Bond (Proposition A) passed by voters on February 5, 2008 focuses on addressing seismic hazards, physical conditions of park structures, and other basic needs within the city's parks and recreation areas.

The Clean and Safe Neighborhood Parks General Obligation Bond also enables the City to continue the work initiated by the \$110 million 2000 Neighborhood Parks Bond. These funds leveraged grants and gifts, along with other local investments, to initiate 223 capital projects valued at over \$712 million. To date, a total of 151 projects are complete with another 18 in close-out. These projects include 41 playgrounds, 5 pools, 8 recreation centers, 11 clubhouses, 90 parks, 12 acquisitions, 8 master plans, 30 Golden Gate Park projects, and 18 SF Zoo projects. All but one of the 2000 Bond projects will be completed in Spring of 2010. The remaining project, the Chinese Recreation Center, required additional funding from the 2008 Bond and will begin construction in 2010.



Palace of Fine Arts

Status updates on the RPD Bond projects can be found at:

<http://parkbonds.sfgov.org/>

Public Library

Following voter approval of \$106 million in G.O. bonds in 2000, the City leveraged the approved bond funds with State grants, gifts, and the Library Preservation Fund to finance the \$153.1 million Branch Library Improvement Program (BLIP). The BLIP will replace rental facilities and provide structural upgrades, enhance access, make program improvements and address deferred maintenance for 24 Branch libraries and the Support Services center.



Excelsior Branch Main Reading Room

As a result of the BLIP program, (a) the new Support Services center was opened, (b) the first new branch library in 40 years opened in Mission Bay, (c) branch library renovations were completed at Excelsior, West Portal, Sunset, Marina, Western Addition, Noe Valley, Richmond, and Eureka Valley and, (d) the new Glen Park, Portola, and Ingleside branches opened replacing leased facilities. The Bernal Heights and Potrero branch library renovations will open in January 2010 and March 2010, respectively. Bayview and Park libraries are in the bid & award phase. The Anza, Golden Gate Valley, Merced, Ortega, Parkside, Presidio, and Visitacion Valley

branch libraries are in construction and the new North Beach branch library is in design. The Mission and Chinatown Branch Libraries were improved through a previous bond measure, the Earthquake Safety Bond Program, and the Ocean View Branch Library was completed in 2000.

Arts and Museums



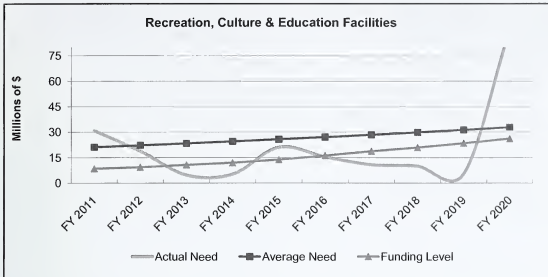
War Memorial Opera House

The American Recovery and Reinvestment Act (ARRA) provided \$57,000 for HVAC and lighting improvements at City cultural centers.

Several other facilities, however, suffer from seismic, disability access, and other deficiencies. The Plan allocates approximately \$227 million in both renewals and enhancements of these facilities. Seismic improvements to the Veterans Building account for 83 percent of this total.

1. Renewal Program

The facility renewal model projects \$278 million in costs over the next ten years to keep Recreation, Culture, & Education facilities in a state of good repair. Given funding constraints, the plan allocates \$160 million for Recreation and Culture Renewals.



The estimated impact of process changes and new technologies, such as artificial turf, are included in the renewal projections. Models and estimates for renewals are refined on an ongoing basis.

*Library and Zoo renewal needs not included.

The plan proposes fully funding the Library's annual renewal needs, and work performed as part of the BLIP has nearly eliminated its existing backlog of deferred maintenance.

In addition to facilities, the Arts Commission maintains a collection of over 3000 public art objects and monuments valued at over \$86 million. These assets have ongoing maintenance and renewal needs and need protection from graffiti and vandalism, which reduce their value. Since these needs are underfunded, the Arts Commission is establishing partnerships with private organizations and donors to help protect and preserve the City's cultural assets.

2. Enhancement Program (FY 2011-2020)

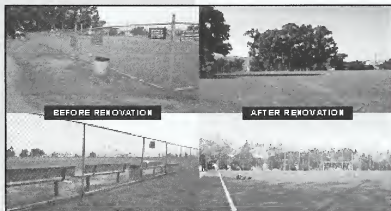
- **Recreation and Parks System Modernization.** The 10-year Capital Plan covers a series of bonds to modernize the City's parks and recreation facilities. The bond program includes the remaining authority under the \$185 million voter approved 2008 Clean and Safe Neighborhood Parks Bond and a \$151 million Neighborhood Parks Bond in 2014. Even with the infusion of funds received by these bonds, there still remains over \$231 million in improvements that would be deferred beyond FY 2020. The table below describes the overall Prop A / 2008 Bond program; allocation and sites for the 2014 Bonds will be updated in future plans.

Program	(Prop A) 2008 Bond
Waterfront Parks	\$ 33.5
Neighborhood Parks	117.4
Park Restrooms	11.4
Park Playfields (Athletic Fields)	8.5
Park Forestry	4.0
Park Trails	5.0
Community Opportunity Grants	5.0
Citizen's Oversight Audit	0.2
TOTAL	\$ 185.0

Key program details:

» **Neighborhood Parks.** The repair and renovation program provides a phased approach to implementing projects at 13 sites. The first sale of Prop A Bonds provided funding for planning and design at seven sites. The second sale provides funding for construction costs and covers the planning and design of a second group of sites. Construction will begin at seven sites in the next fiscal year, including six playgrounds and the Palega Rec Center. The final sale of Prop A Bonds will occur in 2011 and fund construction at Mission Dolores, Raymond Kimbell, Lafayette, Cabrillo, and Glen Canyon Rec Center.

» **Park Restrooms.** The Restroom Rehabilitation Program has already selected twenty sites to be improved with funding from the Prop A Bond. Planning and design are already underway for the initial phases; construction will begin in 2010.



Franklin Square Playfield

» **Park Playfields.** The Recreation and Parks Department is in the third phase of a multi-phased program to renovate City soccer, baseball, and other playing fields with state of the art, durable synthetic turf. The program also includes the addition of field lights and other field related amenities. In the current year, the Department is renovating the Kimbell playfield and is in the planning and public input process for

the Beach Chalet soccer fields using Prop A bond funding with matching funds from the City Fields Foundation. With additional funding from the Parks Bonds and support from the Foundation, the City anticipates renovating Mission Playground soccer field, in conjunction with the overall park improvement program.

» **Park Forestry Program.** The Park Forestry Program addresses critical needs for tree repairs. Using Prop A Bond funding, the department is conducting an assessment of tree hazards and prioritizing work for the first phase of the program. While some work will be covered by the 2008 Bond, the department anticipates \$5 million in additional

funding will be needed.

» **Park Trails Program.** Prioritization and scoping for the first phase of the Park Trails Program have been completed. Currently there are 10 trails under consideration for the \$5 million program. While work on those trails will be covered by the Prop A Bond, the department anticipates that an additional \$6 million in funding will be needed for other improvements.

• **Marina Renovation Program.** The department is in the process of implementing a major program to renovate the San Francisco Marina Yacht Harbor. The plan proposes total investments of \$45 million over the course of 8 years. The project has been broken into two phases, with the West Harbor renovations in the first phase, followed by renovations in the East Harbor (Gas House Cove). The West Harbor renovation is currently in design, with construction scheduled to begin in mid-2010. The projects will be funded through a loan secured from the State's Department of Boating and Waterways, to be repaid with Marina generated revenues.

• **Golden Gate Park Renovation Program.** With state grant funds from Proposition 12 and Proposition 40, the department has completed many renovations and improvements throughout Golden Gate Park since 2002. These include the Koret Children's Quarter Playground, landscaping for the deYoung Museum, Music Concourse Surface Improvements and Site Furnishings, the Spreckels Temple of Music Restoration, and the Bison Paddock renovation. Projects currently in design or construction include the Murphy Windmill & Millwright's Cottage, the Park Aid Station, Music Concourse fountains, Parkwide Signage, Bowling Green Restroom Renovation, Children's Quarter Restroom & Event Barn, Polo Field Renovation, JFK West Paving, and the Rhododendron Dell. All projects will be complete by the end of 2010. While over \$30 million in improvements will be achieved through the State funding received through Props 12 and 40, restrooms improvements, way finding signs and major gateway markers would enhance the public's visit to Golden Gate Park. As the costs for these improvements are identified, it is important to note that improvements to the City's signature park are an on-going process.

• **Branch Library Improvement Program.** The final sale of \$31 million from the Prop A (Nov. 2000) G.O. bond measure was completed in April 2008. The bond dollars, bond interest, and rental income are inadequate to cover all of the improvements described in the program, currently estimated at \$188.9 million (not including North Beach construction and related costs).



West Portal Branch Library

The first lease revenue bonds were issued in the amount of \$34M in March 2009 to complete the Anza, Golden Gate Valley, Merced, and Ortega

Approved by the voters in November 2007, Proposition D renewed the Library Preservation Fund, a baseline established to fund the department's needs, for a 15-year term beginning in FY 2008-2009. The measure also authorized the Library to issue lease revenue bonds for the construction or improvement of public library facilities.



Veterans Building

branch library projects, while partially funding the Bayview and North Beach projects, still in design.

The Bayview branch library project was fully funded through the transfer of balances in several closed branch projects and program-wide reserve and contingency accounts including savings realized from a favorable bidding climate. A second sale of lease revenue bonds to fund construction and related costs of the North Beach branch is anticipated to occur in early 2011.

- **Seismic Retrofit of the Veterans Building.** The Veterans Building houses the Herbst Theater, contains meeting space for local veterans, and provides City office space. The facility suffers from a number of seismic deficiencies, the most serious of which is the strength of the facility's theater. The cost of the project is estimated at \$130 million given a proposed construction period beginning in FY2013 and a 5.5% contingency for hazardous materials abatement and market fluctuations. The Plan proposes using \$5.4 million from the Capital Planning fund in FY 2011 to begin the planning and design process. The subsequent issuance of C.O.P.s in both FY 2012 and 2013 will fund most of the construction costs. The sale of transferable development rights may offset costs when the market improves.

Due to recent changes, this year's Plan anticipates the implementation of the project in collaboration with the SF Opera Board. The Opera proposes \$60 million in funding, above the \$130 million base costs, for a 40,000 sq ft addition to the west end of the building.

3. Deferred Projects

- **Golf Course Improvements.** Significant facility upgrades are needed at all the City's golf courses with the exception of Harding Park, which was updated with a combination of investments from the City, philanthropic donations, and state bond funds. Two of the city's golf courses needing improvements include the Lincoln Park course with an estimated project cost of \$5 million and Sharp Park with a potential need of \$6 million.
- **Renovation of the Arts Commission Gallery Building.** Located at 155 Grove, this seismically unsafe facility has been inactive since 1989.
- **Renovations of the City's Cultural Centers.** Though the ADA Transition plan includes funding for \$2.6 million in accessibility improvements at the City's cultural centers, building deficiencies and seismic issues remain deferred from the plan. The severity of these facility needs, the cost of renovating the existing sites, and the possibility of relocating to other sites requires additional review and analysis.

4. Emerging Needs

The capital investments required for the following deferred projects and emerging needs have not yet been identified. They will be reviewed in subsequent capital plans as additional planning is completed and uncertainty around project-specific issues and funding sources is resolved.

- **The Mint Project.** The San Francisco Museum and Historical Society has raised \$30 million toward the \$95 million cost of renovating the Mint. The project will convert the Mint into a Bay Area history museum with multiple learning centers, the San Francisco Visitors Information Center, and cultural retail space. More information is available at <http://www.themintproject.org>
- **Law Library.** During the 1995 seismic upgrades to City Hall the San Francisco Law Library moved to the Veterans' Building at 401 Van Ness and placed some of its collection in storage. With the planned seismic upgrades to the Veterans' Building, it is likely that this library will have to be relocated once again. Discussions between the City and the San Francisco Law Library are currently underway to determine the legal, programmatic, and space needs for this function. Future Plans will report on the outcome of the discussions and the associated capital costs for this facility.
- **Rec Park Emerging Needs.** While the 2008 Clean and Safe Neighborhood Park Bond addressed \$151.3 million in park improvements, the second series of Bonds, in 2014, will continue many of the programs in the 2008 Bond. In addition, the City Planning Department and Neighborhood plans are expected to provide \$170 million in funding for improvements and new parks. However, allocation between programs and specific sites has not been determined and the substantial renewal and enhancement needs of the department are not met by the projected funding. Key projects that may require funding from the 2014 Bond, Area Plans, or other sources:
 - » **Neighborhood Parks - Glen Canyon.** Glen Canyon will only receive \$5.8 million from the 2008 Bond for improvements and a study or Master Plan for the site. To begin to implement the major improvements for the entire park site it is anticipated that an additional \$25 million would be needed.
 - » **Neighborhood Parks - West Sunset.** West Sunset received \$1.1 million from the General Fund in FY 2010 to improve the playground and add restrooms; an additional \$0.5 million is needed to conduct improvements to the pavilion and courtyard.
 - » **Neighborhood Parks - Joe Di Maggio.** Currently undergoing an Environmental Review, a new North Beach Library is being constructed under the library bond on park property adjacent to Joe DiMaggio Playground. Improvements recommended in the Master Plan for Joe DiMaggio Playground will include the renovation of the

playground, relocation of the courts and the addition of new park space with an estimated cost of \$5 million. The goal is to have a larger unified civic space for recreation and cultural engagement.

- » **Neighborhood Parks - SOMA / Eugene Friend Rec Center.** As a popular site in a growing neighborhood, improvements to Eugene Friend Rec Center should be considered with the overall neighborhood plan. During a site assessment study in 2008 it was determined that improvements to the site could cost \$11.2 million. With these improvements, and pedestrian improvements in the Eastern Neighborhood Plan, Eugene Friend and Victoria Manalo Draves park would be connected and provide a more complete recreational experience.
- » **Neighborhood Parks - Hamilton Rec Center.** Linking two of the facilities on opposite sides of Geary Boulevard would bring added value and enhance the quality of recreation through the creation of "recreation complex". A cross over bridge on Geary is proposed to link the newly renovated Hamilton Pool/Rec Center with waterslides and the newly renovated Kimbell Playfields.
- » **Seismic Improvements.** While many facilities are covered through the recent Bonds, two major facilities within the RPD portfolio require significant seismic upgrades. Based on an engineering study, Kezar Pavilion has an estimated seismic need of over \$6 million. Another historic facility requiring seismic upgrades is the John McLaren Lodge situated at the entrance to Golden Gate Park. The estimated seismic improvements stand at \$15 million and would include improvement to the annex (a two story administrative building directly behind the Lodge), the breezeway which connects both buildings and an ADA compliant elevator.
- » **Irrigation Modernization Program.** While a number of our irrigation systems have been addressed through a partnership with the PUC, there still remains a large need to bring all of our parks up to the City's standard for water conservation.
- » **Candlestick Park.** This facility has received only minor repairs over the years, and could benefit from a major capital improvement project which would in turn provide a venue for sports and other major events.
- » **Francisco Reservoir.** Consistent with Board Resolution 502-08, the City will explore the preservation of the Francisco Reservoir as open space.
- » **SF Zoo.** Since 2000, the Zoo has spent approximately \$70 million on new construction, renovation, and enhancement. While the western side of the Zoo has seen significant improvements, there are many structures that still need repair and renovation. On the eastern side of the zoo, substantial work needs to be performed to renovate the lion house and bear grottoes along with other original structures from the 1920s and

CPP staff is working closely with the Zoo to add its facilities to the Facilities Renewal Resource Model (FRRM).

30s. Future plans will include costs and discussion of selected projects and programs.


San Francisco Unified School District



LEGEND

 DISTRICT SCHOOL FACILITIES

 DISTRICT OWNED NON-EDUCATIONAL FACILITIES

 CHARTER SCHOOLS, COUNTY COMMUNITY SCHOOLS AND FACILITIES WHERE THE DISTRICT OPERATES PROGRAMS, BUT DOESN'T OWN OR NECESSARILY LEASE THE FACILITY

San Francisco Unified School District

The San Francisco Unified School District (the "District") is involved in the operations of 180 sites located throughout the City as well as one facility in La Honda, CA (where a County Community School is located) and two parcels of vacant land. These properties are shown graphically by the map on the opposite page (see legend for facility use).

Highlights and Accomplishments

Substantial capital improvements to the system are ongoing at schools throughout the District. In November 2003, voters approved a \$295 million general obligation bond to address modernization needs at 30 school sites, and in November 2006 they approved another \$450 million general obligation bond to modernize facilities at an additional 64 sites. Completion of these projects is expected by 2012, and 59 projects have been completed or are under construction as of 6/2009. Of the remaining 100 buildings, SFUSD has identified 75 facilities for which modernization funds are required within the next ten years. The table below shows the distribution of these facilities by use and modernization need.

Usage	Facilities (Sites) ¹	Funded ⁴ In 2003/2006 Bonds	2003/2006 Sites Completed / In Construction ²	In Need of Modernization Funding
Child Development Centers ³	34	20	10	17
Elementary Schools ³	64	38	27	28
Alternative Grade Spans	14 ⁸	5	5	5
Middle Schools ⁴	14	9	6	5
High Schools	18 ⁹	12	8	5
Charter Schools	3 ^{10, 11}	3	0	0
County Community Schools	2	2	0	0
Non-Educational Facilities	11	2	2	5
Leased to Outside Agencies	16	1	2	7
Vacant Buildings	5	2	0	3
SUBTOTAL BUILDINGS	178	96	59	75
Vacant Land	2	0	0	5
TOTAL PROPERTIES ¹	180	96	59	75

1 - The number of facilities does not equal total number of schools because of shared facilities. 2 - Under construction is defined as a project with an (NTP) Notice-To-Proceed. 3-2003 Bond-Treasure Island project canceled. 4-2006 Bond-Independence High School relocated to a non-bond site. 5-2006 Bond-Sutro CDC closed. 6-Excludes Luther Burbank current site of June Jordan High School. 7-Includes CDC's co-located at Elementary Schools funded by 2003/2006 bonds. 8-Includes Paul Revere Annex. 9-Includes 2 programs co-located at 555 Portola Drive (SOTA & Academy of Arts & Sciences), and 2 programs co-located at 3750 18th St. Mission HS and SF International HS. 10-Includes Creative Arts, Edison and 2 programs co-located at Benjamin Franklin/Burl Toler Campus. 11- Excludes City Arts & Technology (former Luther Burbank Campus), Leadership Charter High School (co-located with James Denman) and Metropolitan Arts & Technology (co-located at Philip/ Sala Burton HS).

In addition to funding capital improvement projects through General Obligation Bonds, the District maintains a Mello-Roos Tax approved by property owners in June 1990. The purpose of the tax is to pay for fire, health and life safety improvements at educational facilities owned and operated by the District, including responses to emergency situations.

The Mello-Roos tax, which allows a maximum annual assessment of \$32.20 per parcel, sunsets this year, and the District anticipates reauthorization in June 2010.

1. Renewal Program

The District is required to forward a five year plan to the State of California estimating the costs of projects that are categorized as deferred maintenance. However, the State's budget for 2008-2009 and 2009-2010 school years eliminates the requirement for school districts to provide a 50% match for deferred maintenance and reduces the total amount of the state's share of deferred maintenance.

The scope of work included as deferred maintenance would, as a matter of course, be handled through the modernization projects anticipated in the 2003, 2006 or future bonds. However, the projects on the State mandated five year plan are those that simply cannot wait for future bonds. Examples of such work include roof repair, boiler repair, fire alarm system installation and repair and plumbing repairs. Because of the emergency nature of these projects, time is of the essence and the repairs must be made as quickly as funding allows.

2. Enhancement Program (FY 2011 - 2020)

Progress to date and future plans for the 2003 and 2006 Bond projects reflect an aggressive schedule to meet phased deadlines outlined in the Lopez vs. SFUSD Stipulated Judgment, which contains three groups of schools with respective completion deadlines. Accessibility improvements in schools in Group One, Group Two and Group Three must be completed by June 2007, June 2010, and June 2012, respectively.

- **2003 Bond Projects.** The 2003 projects primarily represent schools in Lopez Group One. As of October 2007, Notices to Proceed have been issued and/or bids have been awarded for 29 of 30 projects included in the 2003 bond program.

Of the \$295 million authorized by 2003 Proposition A, \$280 million of bonds have been sold. The remaining \$15 million of bond authorization is reserved for the School of the Arts (SOTA), which can only be sold when privately raised funds are in place or have been committed. The District does not anticipate selling the \$15 million prior to 2010.

- **2006 Bond Projects.** Of the \$450 million in bonds authorized by 2006 Proposition A, the District has issued \$250 million. As the bond program evolves, project requirements and schedules may result in changes to bond sale amounts and timing. Changes will be reflected in updates to the District's Capital Plan. The 2006 bond program includes some Lopez Group One and all Group Two and Group Three schools.
- **Future Bond Projects.** As indicated at the start of the Chapter, the District has determined that approximately 75 facilities will require renovation, modernization and repair work. The District estimates that the costs to modernize these facilities, exclusive

of deferred maintenance costs, would be approximately \$622 million in 2011. In cases of school buildings constructed or modernized relatively recently, estimates have been reduced to reflect only the costs of replacing various facility features according to standard schedules of useful life.

Between \$511 million and \$622 million of general obligation bond funding would be necessary to complete these projects, depending on the amount of state funding associated with these projects. The District will be working over the next year to develop, plan, and map out its future bond needs, however the District anticipates that these projects would be included in two future separate bond authorizations, the first of which would be sought in 2011.

District's Funding Needs 10 Year Horizon

The following table shows the District's funding needs, in total, over the next 10 years.

Construction, Modernization and Reconstruction	\$642,200,000
ADA Improvements	\$160,550,000
Deferred Maintenance	\$50,000,000
Technology upgrades (Science Labs, computer labs)	\$42,750,000
Small School Conversions	\$500,000
TOTAL	\$896,000,000

3. Emerging Needs

In this year's update of the District's capital plan, the District will include information on School Infrastructure needs required for new and growing communities. As Mission Bay, Hunters Point, and Treasure Island continue to expand and take form, School facilities will need to be enhanced in order to fulfill the educational requirements of the communities. In addition, programs like HOPE will generate their own unique needs, all of which will be captured in the next update to the District's capital plan.

- **Sustainability & Building Efficiency.** In order to promote a healthy learning and teaching environment, generate utility savings, reduce maintenance and operational costs, establish SFUSD green building leadership, and inspire the next generation of citizens, SFUSD is developing a building-energy efficiency program that will be an integral part of daily school life. One of the principal goals of the program will be to identify the biggest energy users in the District and then to make those facilities more energy efficient. As plans progress for future bond measures, a sustainability and building-energy efficiency component is anticipated to be included.

For more information on the School District's sustainability efforts, please go to www.green.thenextgen.com

Table 4.2 Sources of Funds Next 10 Years – 2009 dollars in millions

SOURCES	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTALS
2003 GO Bond Funds	\$115										\$115
2003 GO Bond Funds	\$185										\$185
Future GO Bond Funds	\$210										\$210
State Matching Funds (1) (5)	\$30			\$321							\$351
Measure 8 Parcel Tax (2) (4)	\$4										\$4
Deferred Parcel Fees	\$4										\$4
Deferred Maintenance											
(Match)	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$25
Deferred Maintenance (7)											
(State Match)	\$0	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$22.5
TOTAL	\$224.5	\$225	\$12	\$333	\$12	\$12	\$12	\$12	\$12	\$12	\$823.5

(1) State matching funds presently estimated at \$30 million for 2010

(2) Estimate based on an approximate 2/3 use of Parcel Tax funds for capital.

(3) Estimate based on average collection of developer fees.

(4) Measure 8 Parcel Tax funds after 2010 subject to voter approval for renewal of existing parcel tax.

(5) Does not include \$38 million in new construction money potentially available for SOTA.

(6) Anticipated sale in fiscal yr 10-11 of \$185 million.

(7) Funding contingent on proposed State Budget. Decreased Deferred Maintenance dollars may result in less work being done.

(8) \$15 million – SOTA pending determination of project site.

Recreation, Culture, and Education

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	22,079	23,183	24,342	25,560	26,838	155,709	277,711	106,132
SPENDING PLAN								
State of good repair renewal - Proposed Uses	9,262	10,052	11,330	12,450	14,125	102,513	153,732	158,064
ADA Transition Plan Improvements	273	662	991	991			2,917	
Enhancements	48,138	12,833	186,150	7,500	150,000		404,621	102,447
TOTAL	57,674	23,546	198,472	20,940	164,125	102,513	567,270	260,510
REVENUES								
General Fund	8,671	9,805	11,368	12,439	13,074	96,414	151,772	
Capital Planning Fund	3,818						3,818	
Certificates of Participation		11,183	107,800	7,500			126,483	
Other Local Sources	865	908	953	1,001	1,051	6,099	10,877	
Private and Non-Profit Sources			60,000				60,000	
Park System Renovation and Improvement Bond					150,000		150,000	
Clean and Safe Neighborhood Parks Bond	37,326						37,326	
Slate	6,995	1,650	18,350				26,995	
TOTAL	57,674	23,546	198,472	20,940	164,125	102,513	567,270	
Total San Francisco Jobs/Year	415	170	1,429	151	1,182	738	4,084	

Departmental Breakdown

Arts Commission

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	526	553	580	609	640	3,711	6,618	3,751
SPENDING PLAN								
State of good repair renewal - Proposed Uses	232	254	292	325	376	2,864	4,344	3,121
ADA Transition Plan Improvements		662	991	991			2,644	
Cultural Center Upgrades								95,996
Arts Commission Gallery Seismic Upgrade								6,451
TOTAL	232	915	1,284	1,316	376	2,864	6,987	102,447

REVENUES

General Fund	232	915	1,284	1,316	376	2,864	6,987	
TOTAL	232	915	1,284	1,316	376	2,864	6,987	

Asian Art Museum						
Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020
State of good repair renewal - Need	488	512	538	565	593	3,439
						6,134
SPENDING PLAN						
State of good repair renewal - Proposed Uses	151	166	191	213	246	1,874
ADA Transition Plan Improvements						2,842
						4,378
TOTAL	151	166	191	213	246	1,874
						2,842
						4,378
REVENUES						
General Fund	151	166	191	213	246	1,874
						2,842
TOTAL	151	166	191	213	246	1,874
						2,842
						4,378
Total San Francisco Jobs/Year	1	1	1	2	2	13
						20

Fine Arts Museum						
Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020
State of good repair renewal - Need	1,652	1,734	1,821	1,912	2,008	11,650
						20,777
SPENDING PLAN						
State of good repair renewal - Proposed Uses	513	563	648	721	834	6,347
ADA Transition Plan Improvements	273					9,625
						14,830
TOTAL	786	563	648	721	834	6,347
						9,898
						14,830
REVENUES						
General Fund	786	563	648	721	834	6,347
						9,898
TOTAL	786	563	648	721	834	6,347
						9,898
						14,830
Total San Francisco Jobs/Year	6	4	5	5	6	46
						71

Public Library

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	865	908	953	1,001	1,051	6,099	10,877	116
SPENDING PLAN								DEFERRED
State of good repair renewal - Proposed Uses	865	908	953	1,001	1,051	6,099	10,877	
ADA Transition Plan Improvements								
TOTAL	865	908	953	1,001	1,051	6,099	10,877	

REVENUES								
Other Local Sources	865	908	953	1,001	1,051	6,099	10,877	
TOTAL	865	908	953	1,001	1,051	6,099	10,877	
Total San Francisco Jobs/Year	6	7	7	7	8	44	78	

Recreation and Parks Department

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	17,143	18,000	18,900	19,845	20,838	120,898	215,626	42,517

SPENDING PLAN

State of good repair renewal - Proposed Uses	6,096	6,685	7,696	8,563	9,909	75,417	114,367	135,734
ADA Transition Plan Improvements								
Systemwide Modernization Program					150,000		150,000	
Neighborhood Park Program	28,487						28,487	
Park Restroom Rehabilitation Program	3,400						3,400	
Park Trail Reconstruction Program	1,000						1,000	
Park Forestry Program	800						800	
Community Opportunity Grant Program	1,000						1,000	
Other - Admin and Contingency	2,659						2,659	
Marina Yacht Harbor Renovation	6,995	1,650	18,350				26,995	
Total	50,417	8,335	26,046	8,563	159,909	75,417	328,688	135,734

REVENUES

General Fund	6,096	6,685	7,696	8,563	9,909	75,417	114,367	
Park System Renovation and Improvement Bond					150,000		150,000	
Clean and Safe Neighborhood Parks Bond	37,326						37,326	
State	6,995	1,650	18,350				26,995	
TOTAL	50,417	8,335	26,046	8,563	159,909	75,417	328,688	
Total San Francisco Jobs/Year	363	60	188	62	1,151	543	2,367	

War Memorial and Performing Arts Center

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
State of good repair renewal - Need	1,406	1,476	1,550	1,627	1,708	9,912	17,678	59,747
SPENDING PLAN								
State of good repair renewal - Proposed Uses	1,406	1,476	1,550	1,627	1,708	9,912	17,678	
ADA Transition Plan Improvements								
Veterans Building Seismic Renovation & Opera House Addition	3,818	11,183	167,800	7,500			190,300	
TOTAL	5,223	12,658	169,350	9,127	1,708	9,912	207,978	
REVENUES								
General Fund	1,406	1,476	1,550	1,627	1,708	9,912	17,678	
Capital Planning Fund	3,818						3,818	
Private and Non-Profit Sources			60,000				60,000	
Certificates of Participation		11,183	107,800	7,500			126,483	
TOTAL	5,223	12,658	169,350	9,127	1,708	9,912	207,978	
Total San Francisco Jobs/Year	38	91	1,219	66	12	71	1,497	

DEFERRED



VII | Economic & Neighborhood Development

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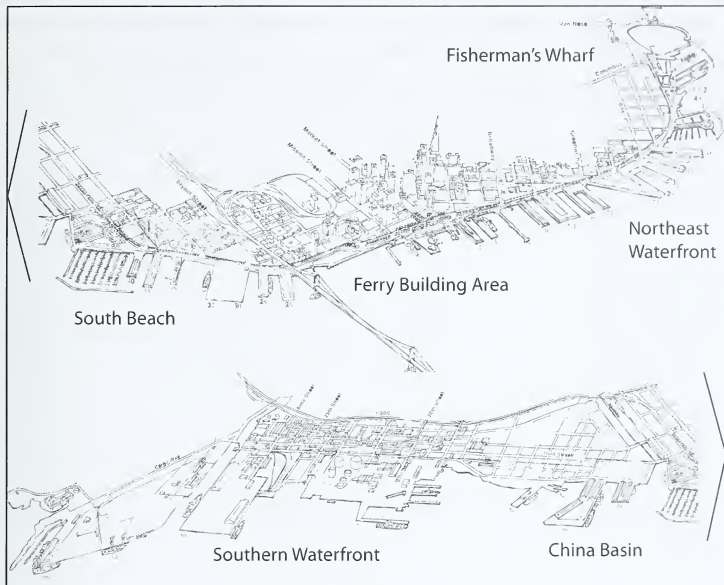
The City operates three convention facilities; owns or has responsibility for 39 pile-supported pier structures and 245 commercial and industrial buildings along the waterfront; and shares responsibility for the redevelopment of nearly 1,400 acres (40% more land area than Golden Gate Park) of formerly industrial or federally-owned land in Mission Bay, Hunter's Point, the Hunter's Point Naval Shipyard, and on Treasure and Yerba Buena Islands. Included in this inventory is not only the land, piers and buildings but also the fixed and long-term infrastructure that support them such as utilities, rights of way, cargo cranes, railroad track, and seawalls.

Highlights & Accomplishments

While many things contribute to the development of the local economy, this chapter includes departments and programs whose primary objective is to contribute to San Francisco's diverse economic base. Real estate at the Port, improvements to the Moscone Convention Center, redevelopment projects in Mission Bay, Treasure Island, and Bayview Hunter's Point, and Planning Department rezoning of neighborhood areas all share the goal of broadening the economic base of the City and creating neighborhoods that have modern infrastructure and are desirable places to live and work. Once complete, these projects will attract residents and businesses to San Francisco, increasing the City's economic competitiveness and expanding its tax base. The Capital Plan identifies a total economic development need over the next ten years of over \$5 billion, primarily for pier and substructure repairs along the waterfront and commercial and residential real estate development on the eastern side of the City.

The City and its partners achieved a number of accomplishments in the last year, including completion of the southern approach to the Illinois Street Bridge (adding rail access to prospective clients at Pier 80), the Rincon Restaurants at Pier 22 ½, and the Public Boat Ramp project at Pier 52 and successfully passing state legislation creating an Infrastructure Financing District (IFD) within the Port's jurisdiction. During the summer and fall of 2008, the Board of Supervisors also approved the City's first Tourist Improvement District in a 15-year public-private partnership with the hotel industry and adopted the Market & Octavia and Eastern Neighborhood Area Plans. Finally, the various redevelopment project areas reached key milestones including initiation of specific environmental review for the redevelopment of Treasure Island and other highlights in Mission Bay and Bayview Hunter's Point.

Port of San Francisco



The Capital Plan identifies a total need of approximately \$2.1 billion at the Port, primarily for deferred maintenance and seismic upgrade work required on Port facilities. This is an increase of approximately \$93 million over the \$2 billion identified in last year's Plan. Of the \$2.1 billion in total need, the Port has identified a total of \$762 million in funding including: Port tenant obligations, the Port's annual operating budget, revenue bonds, development projects, Infrastructure Financing District bonds, General Obligation bonds, and the 2007 Water Resources Development Act.

The largest element of the Port's Plan is the rehabilitation and redevelopment of the heavily blighted Pier 70 area, with an estimated need of approximately \$665 million. These costs include upgrading salvageable buildings, demolition of unsalvageable ones, environmental remediation, improvements to street and utility infrastructure, and construction of an open space park area near the water's edge. While Port staff hope that much of this work can be completed through private development, much of it must be completed with other sources of funding in order to attract private development interest and funding.

The Port has developed policy options to address the unfunded portion of its plan including use of grant funds,

tax increment financing and potential private development options. In November 2008, San Francisco's voters approved Proposition D which provides an option for the Board of Supervisors to capture 75 percent of the payroll and hotel tax increment generated by future Pier 70 development to help fund Pier 70's immense public infrastructure and improvements. As a precondition to accessing that funding, the Port must demonstrate that its lease revenues and property tax increment are insufficient to fund all public costs. Proposition D will also facilitate developing Pier 70 by reducing the entitlement risk associated with the number of discretionary approvals the Port's development projects must currently secure. Specifically, Proposition D allows the Board of Supervisors to waive the final approval of the Pier 70 lease if it approves the Pier 70 development plan and zoning at the outset of the project(s). However, each of these options will require significant staff time to develop and implement, and each will require support from City policymakers.

At this time, the Port's revenue projections are based on the assumption that new private development at Seawall Lot (SWL) 337 will result in new lease revenues, which will allow the Port to issue revenue bonds, as well as an increased value to the property, which will allow the Port to issue IFD bonds. These assumptions would provide the Port with up to \$130 million in bond funds.

The Port's newfound ability to utilize the public resources of Infrastructure Finance Districts and other tax increment financing facilitated by Proposition D, a SWL 337 disencumbered from public-trust restrictions by SB 815, and inclusion in a City General Obligation Bond constitutes a beginning to a more financially sound and sustainable Port of San Francisco.

1. Renewal Program

Just over \$1 billion, or approximately 50% of the overall need identified in the Port's 10-year capital plan, addresses renewal and repair of existing facilities or deferred maintenance. Of the \$762 million that the Port proposes to fund in the 10-year capital plan, approximately \$375 million is allocated to renewal projects.

Much of this consists of funding to address the Port's facility-specific backlog, largely non-seismic substructure pier and building repairs. Also included are street resurfacing and sewer repair projects. Some of these repairs will be funded by Port tenants as required in their leases while others will be covered by the Port's annual operating budget. The balance will be covered by development projects and Port revenue bonds, discussed in detail in the subsequent Enhancement Program sections.

SB 815 (2007) removed state-imposed restrictions on four of the Port's seawall lots, including SWL 337. Passage of SB 815 allows the Port to realize significant increases in rental income from these lots, generating much needed funds for the preservation of historic Port property.



Pier reconstruction underway

The Portwide Annual Programs that are funded include (1) dredging of the bay floor along the waterfront, which maintains the depth of the berths at the Port's piers so that they remain suitable for water traffic, (2) facility condition surveys, which allow the Port to evaluate the state of the Port's structures on a continuous basis and in an organized manner, and (3) emergency facility repair, a set-aside of funds for unforeseen situations, available for the most pressing capital needs in subsequent years if the programmed year remains emergency-free.

The Port funds various open space improvements or mandated mitigations (such as the Brannan Street Wharf at Pier 36) under the Special Area Plan Open Space program as funding opportunities become available. The Port proposes to fund part of this project with land sale proceeds, Port operating revenues, and G.O. bonds.

Because of the sheer magnitude of the Port's remaining Annual Program, the Pier/Wharf Substructure Reinvestment program, for the moment, receives little funding. The Port should be annually reinvesting 0.74 percent of the substructure's value back into the piers to keep them in good repair.¹ Unfortunately, the Port has been unable to make these necessary investments.

2. Enhancement Program (FY2011 – FY2015)

The first five years of the Port's ten-year capital plan shows investments of \$102 million in Port Revenue Bonds, \$33.5 million in General Obligation Bonds, \$37 million in Port funds for the Brannan Street Wharf and Cruise Terminal projects, as well as private funds from development partners. These sources will fund improvements, including seismic upgrades, to the following Port facilities: the Agriculture Building; Piers 19, 23, 33; Pier 27 which will be the home of the Port's future cruise terminal; Piers 15 & 17, where the Exploratorium is planning to relocate, pending major renovation; rail and tunnel improvements; Pier 50, home to the Port's Maintenance Division; improvements to the Port's Backlands area including repairing the seawall; and various open space improvements along the waterfront.

Port Revenue Bond Projects

Depending on the interest rates and the amount of Port revenues available for debt service, the Port anticipates issuing up to \$103 million in revenue bonds by FY 2013-2014. Structures selected for this funding are based on whether or not the facility (1) is currently profitable, (2) has the potential to be more profitable, because it is under-utilized, (3) has potential to be more profitable, because it has a lease set to expire in the next 10-years,



Piers 27-31

¹ The level of need is calculated based on the cyclical replacement of portions of pier substructures, based on construction type and exposure to tidal action. For example, Port engineers estimate that the Port should rehabilitate 15% of the Port's pre-1920's era concrete piers every 20 years.

allowing the Port to improve the property and increase rents once the property is ready to be re-leased, or (4) is critical to supporting the Port's operations. Based on these criteria, the Port has developed the following list of projects for which it will fund with Port revenue bonds:

Project	Amount
Piers 19 or 23**	18,000,000
Pier 90-96 Seawall & Backlands Improvements	8,000,000
Pier 27 Cruise Terminal	23,000,000
Pier 33	2,000,000
Pier 35	5,500,000
Pier 50	1,500,000
Wharf J9	5,000,000
Agriculture Building	5,000,000
Pier 19**	9,000,000
Fisherman's Wharf Fuel Dock Repairs	1,500,000
Misc. Utilities	3,000,000
Pier 80 & Rail Improvements	7,500,000
Total*	\$102,000,000

**Subject to actual debt capacity, Port Commission approval, Mayor approval, and Board of Supervisors approval.*

*** If Pier 23 is selected for repairs and renovations the total of which is \$18 million then the Port will repair the roof and aprons at Pier 19 estimated to cost \$9 million. If Pier 19 is selected to receive the \$18 million for repairs and renovations, then the combined \$27 million allocation (\$18 million plus \$9 million) will cover the majority of repairs required at Pier 19.*

Port Infrastructure Financing District (IFD). The State recently adopted legislation that allows the City to create an Infrastructure Financing District (IFD) within the Port's jurisdiction. This alternative method of collecting property tax increment is a useful financing tool for the Port. The Port anticipates having a total of \$205 million in IFD Bond funds available for a variety of projects, including Pier 70 improvements and other southern waterfront improvements. While some IFD Bond funding will be used by the Port for independent rehabilitation of facilities, other IFD Bond funds will be used as the Port's investment in larger public-private developments. Port staff has identified the Agriculture Building, and Piers 33 and 35 as candidates for IFD Bond funding.

- **Pier 70 Improvements (Southern Waterfront).** The Capital Plan identifies a total of \$497 million related to the Pier 70 complex including: environmental remediation, constructing and reconstructing streets, sidewalks, street lighting, and sewer and water system, open space development, historic building preservation and reuse of a portion of the site, principally along 20th Street stretching to the waterfront. Long a ship-building and ship-repair site, Pier 70 now houses the most important collection of historic industrial

buildings west of the Mississippi. Unfortunately, owing to age, type of construction, deterioration, lack of code compliance and absence of site utilities and other infrastructure, most of the 35 buildings on the site are unused and only a few are leased.

The Port is creating a master plan that includes: (1) a survey of the historic resources and development of preservation options, and (2) an economic and planning feasibility analysis with development options for Pier 70. The Port completed the master plan the summer of 2009 and intends to issue a development RFP by the spring of 2010.



Pier 70

The Pier 70 project envisions bringing most, but not all, of the historic buildings and artifacts (fences, cranes) up to current code, repairing or replacing all building utilities and building systems, but not adding new square feet: work would be done to meet the standards of the U.S. Secretary of the Department of Interior in keeping with the buildings' eligibility for the National Register of Historic Places.

The Port's 10-year capital plan programs \$140 million in IFD Bond funds to cover Pier 70 campus infrastructure costs, which consist of \$40 million to construct streets, sewers, water mains, sidewalks, and street lighting, approximately \$30 million to conduct environmental clean-up, \$20 million to make needed open space improvements, and \$50 million to repair and upgrade wharves and piers. The Port should be better able to redevelop Pier 70 to viable reuses if it can invest public funds in the project.

The Port is anticipating programming an additional \$45 million in IFD bonds from the tax increment generated by SWL 337 to restore Pier 70's flagship structure, the Union Iron Works Building, for a future public use. As previously noted, the Port recently issued an RFQ to develop SWL 337 as a mixed use development. Assuming the Port successfully secures a development partner, it should be completed by 2013. At that time, the development should generate approximately \$6 million annually in possessory tax increment² to the IFD that would leverage \$65 million in bond funds. The Port proposes to allocate the \$65 million in SWL 337-related bond revenues to southern waterfront projects, as follows:

- » Pier 70 Union Iron Works Building – Comprehensive rehabilitation, including seismic upgrades – \$45 million
- » Islais Creek Open Space Improvements – \$4 million
- » Blue Greenway Improvements – \$16 million

² This \$6 million in tax increment revenues is in addition to the \$6 million in lease revenue growth anticipated from SWL 337 and for which the Port has programmed lease revenue bond funds to several projects previously discussed in this report

General Obligation Bond Projects

In February 2008 San Francisco voters approved a \$185 million General Obligation bond for park and open space improvements, of which \$33.5 million has been allocated to fund or partially fund Port open space improvements on the waterfront. Port projects include: a promenade at Pier 43½ in Fisherman's Wharf; the Brannan Street Wharf Park in Southbeach; Bayfront Park in the Port's China Basin region; and, in the Port's Southern Waterfront, Crane Cove Park, Warm Water Cove Park, Islais Creek, and an entrance to Heron's Head Park. In FY 2008-09, using \$3.1 million of the first bond issuance the Port initiated planning and design efforts for these projects. In FY 2010-11, the Port will use \$10.6 million of the second bond issuance to fund construction of the Pier 43.5 Promenade project and the Bayfront Park Shoreline Restoration project.

Development Projects

The Port's development projects are public-private partnership projects in which a developer enters into a lease of up to 66 years with the Port for property, secures financing and is responsible for project delivery. The Port expects the following development projects will begin construction in the next five years. As previously noted, cost estimates included in this Plan only include repair and replacement costs and seismic upgrades that the Port would need to conduct to continue operating these facilities for their current uses. The descriptions below include enhancements developers are making to the facilities to change their use, the cost of which is not included in this Plan.

- **Piers 15–17:** The Port entered into an Exclusive Negotiating Agreement (ENA) with the Exploratorium to renovate Piers 15-17 and relocate the Exploratorium museum from its current location at the Palace of Fine Arts. During the past several years the museum has been looking for a new home to accommodate its expanding needs.

The Exploratorium is leasing Pier 15 under a long-term lease and is developing it for a museum and ancillary uses, with the idea of expanding into Pier 17 in later years. Piers 15 and 17 are located in the Northeast Waterfront on The Embarcadero at Green Street. The expected cost of the rehabilitation and enhancement of Piers 15 and 17 is \$175 million.

3. Enhancement Program (FY2016 – FY2020)

The second five years of the Port's 10-year Plan will be driven by projects funded by Port Revenue Bonds.

Port Revenue Bond Funded Projects

The Port anticipates issuance of a total of \$65 million in Port Revenue Bonds in the fiscal years 2014-18.

- **Northeast Waterfront Piers - Piers 9, 33 and 35.** In 2007, the State legislature adopted legislation (SB 815) that allows for more varied development on some of the Port's seawall lots, and allows the Port to enter into lease terms of up to 75 years (the prior maximum had been 66 years). The legislation also restricts the use of new revenue growth generated by seawall lot leases to repair and seismic upgrades of historic facilities and to construct open spaces required by the Special Area Plan. Seawall Lot 337 is the first development affected by the new legislation. The additional annual income associated with SWL 337 development will help the Port to leverage up to, roughly, \$65 million in revenue bonds. Piers 9, 33 and 35 will be the recipient of some of these Revenue Bond funds (Piers 19-23 to receive the balance), which will go toward seismic upgrades and long-deferred repairs.

4. Deferred and Emerging Needs

The Port's proposed ten-year capital plan defers a total of \$1.3 billion in needs. The most significant deferred projects include the following Port facilities:

Unfunded Projects

Region	Port Facility	Unfunded Portion to Repair & Seismically Upgrade
Northeast Waterfront	Pier 31, office and warehouse space, pier substructure	\$22,500,000
South Beach	Pier 26, office and warehouse space, pier substructure	46,300,000
	Pier 28, office and warehouse space, pier substructure	31,000,000
	Pier 38, maritime recreation facility near South Beach Harbor	46,900,000
China Basin	Pier 50, Shed D, the Port's Maintenance Facility, pier substructure	17,200,000
	Pier 54, office and warehouse space, pier substructure	38,400,000
Southern Waterfront	Pier 70 Campus, contains vast array of historic structures	305,000,000
	Pier 80 Cargo Facility	69,700,000

Funding Options for Deferred Projects:

- **Grant Funds.** The Port may be able to secure grant funding for its open space and transportation projects.
- **Public/Private Partnerships.** The Port believes Pier 33, Pier 35, Pier 26, and Pier 70 are good candidates for future development projects. However, it has not issued RFPs nor has it secured approvals from various state agencies such as the State Lands Commission and San Francisco Bay Conservation and Development Commission

(BCDC) for project scopes. Thus, while the Port has identified these facilities as potential development projects, it is premature to conclude that they will be repaired and upgraded by a developer.

No Identified Funding Options

If the Port is unable to identify a funding source or a developer to repair and seismically upgrade these facilities, it will eventually need to close the facilities and demolish them (if it can secure funds for demolition) or allow them to deteriorate and fall into the bay.

Moscone Convention Center

The Moscone Convention Center consists of three facilities: Moscone South (opened in 1981), Moscone North (opened in 1992) and Moscone West (opened in 2003). Together they draw over one million attendees and exhibitors per year and make a substantial contribution to the \$8 billion in annual economic impact generated by San Francisco's travel and tourism industry.

Tourist Improvement District

In December 2008, the San Francisco Convention and Visitors Bureau formed the first citywide Tourist Improvement District, or TID. A unique 15-year public-private capital improvement program, the TID provides the primary source of capital funds for the modernization of the Moscone Center. In exchange for the City issuing up to \$45 million in lease revenue bonds to renovate and improve Moscone, San Francisco hotels have agreed to assess themselves up to 1.5 percent of the gross revenues they receive from tourist rooms. This assessment will more than double the City's hotel-specific marketing and sales programs and generate over \$51 million for aesthetic improvements to Moscone over the next five years. The goal is to accomplish the majority of the capital improvements by early 2011 and to maintain the competitiveness of San Francisco as a convention destination.

1. Renewal Program

The City commits a portion of its hotel tax to the preservation and management of the Moscone Convention Center. In FY 2008-2009, the City invested \$2.52 million to replace 17-year-old airwalls in the Esplanade Ballroom. Also, per the TID agreement, the City will borrow against the values of two City-owned facilities – Bill Graham Civic Auditorium and 25 Van Ness Avenue – to complete up to \$45 million in basic renewals, primarily at Moscone North and South. These Certificates of Participation (C.O.P.s) will finance leak repairs; elevator, escalator, and additional airwall replacements; and HVAC, bathroom, and seismic damper upgrades. After the first 5 years of the TID, the City's General Fund will once again pay for renewal needs at Moscone.

2. Enhancement Program (FY2011-2015)

The \$51 million generated by tourist room assessments will finance the installation of new digital flat-panel displays, the replacement of lobby furniture, the replacement and modernization of glass entry doors and the planning and design costs for the possible future expansion of the convention center.

The TID has begun with the replacement of the air walls in Moscone North Hall E and upgrading of the Life Safety Systems in Moscone North and South.



Moscone Convention Center

3. Enhancement Program (FY2016-2020)

The investment of the TID and the C.O.P.s will eliminate Moscone's existing backlog and make several enhancements to maintain San Francisco's competitive advantage. There are no enhancements currently planned for the second five years of the Plan.

4. Deferred and Emerging Needs

Several convention hosts have approached the Convention and Facilities Management Department seeking expansion of the Moscone Convention Center. The City has explored this in concept, going as far as determining possible expansion sites and floor plans. While future TID funds are a possible source of funds to continue this in concept, there is no specific identified funding source at this time.



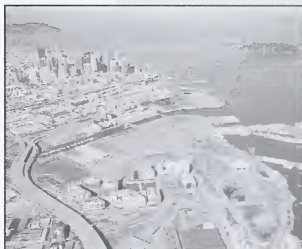
*Moscone West as seen from
Yerba Buena Gardens*

Redevelopment Project Areas

Mission Bay

This 303-acre project, initiated in 1998 and adjacent to the San Francisco Giants' AT&T Park, will include nearly five million square feet of commercial and biotechnology space, thousands of housing units, 500,000 square feet of retail, a hotel, nearly 50 acres of public open space, a new public school, fire and police stations and a new public branch library. At the heart of the development is the state-of-the-art University of California San Francisco (UCSF) life sciences campus—at full build-out, it will be home to over 9,000 researchers and staff, as well as a new hospital serving women, children and cancer patients. Nearby are the Gladstone Institute (a 180,000 square foot private research facility dedicated to cardiovascular diseases, virology and immunology and neurological disease) and the California Institute of Regenerative Medicine (or CIRM, the state agency that will provide \$3 billion in funding for stem cell research over the next 10 years).

More than 3,100 residential units have been completed, of which approximately 675 are preserved for lower income households, and an additional 200 units are anticipated to start construction in the coming year. With the continuing development of the new UCSF campus, the market for lab and office space has increased, with over 1.5 million square feet of private office and biotechnology space completed and over 185,000 square feet of additional space under construction. Fibrogen recently moved its headquarters to Mission Bay. Finally, the new T-third light rail line now connects the community to Downtown and, to date, more than 12 acres of new public open space have been completed.



Aerial view of Mission Bay project area

The redevelopment of Mission Bay has been a highly cooperative effort, involving the public, master developer (originally Catellus Development Corporation, now FOCIL-MB, LLC), individual for-profit and non-profit developers, the Redevelopment Agency, the Office of Economic and Workforce Development's Joint Development Division, and a wide range of other City agencies.

Treasure Island

This former naval base, which ceased operations in 1997, consists of approximately 365 acres on Treasure Island and 90 acres on Yerba Buena Island. The development plans for Treasure Island include 6,000 new residential units (30% of which will be offered at below market rates), three hotels, a 400-slip marina, restaurants, retail and entertainment venues—plus nearly 300 acres of parks and open space. The development is clustered around a new ferry terminal and intermodal transit facility and is designed to prioritize

walking, biking and public transit. The development plan includes cutting-edge green building elements and is projected to be the most environmentally sustainable large development project in U.S. history.



Aerial schematic of Treasure Island redevelopment

In early 2000, the Treasure Island Development Authority (TIDA) initiated a master developer selection process, culminating in the selection of Treasure Island Community Development, LLC (TICD): a partnership including Kenwood Investments, Lennar Corporation, Wilson Meany Sullivan, and Stockbridge Capital. The City of San Francisco, acting by and through TIDA as the local redevelopment authority, is responsible for the long-term redevelopment planning of Treasure Island.

The Development Plan and Term Sheet for Redevelopment of Naval Station Treasure Island was endorsed by the TIDA Board of Directors and the San Francisco Board of Supervisors in December 2006. The project would be constructed using funding sources (i.e. tax exempt public financing mechanisms such as tax increment financing and Mello Roos bonds) that result from the value created by the redevelopment.

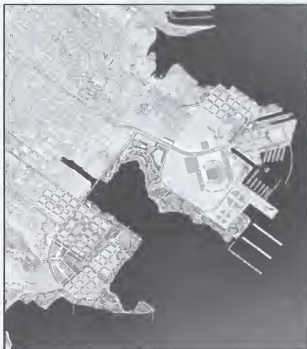
Next steps in the project implementation phase include negotiating the terms of a comprehensive Disposition and Development Agreement with TICD and engaging multiple agencies, organizations and stakeholders as required to execute the many components of the Development Plan. Other priorities include completing the CEQA environmental review process and adoption of a redevelopment plan per California Redevelopment Law. These efforts will continue over the next year, with the goal of receiving final project approvals from the TIDA Board and the Board of Supervisors in 2010. The first phase of construction is expected to begin in 2011 and will consist primarily of horizontal infrastructure improvements (utilities, geotechnical stabilization, intermodal transit terminal, etc) to enable subsequent phases of vertical construction. The complete build out of the Development Plan is anticipated to occur in four major phases over the next 10-15 years.

Hunters Point Shipyard Phase 2 / Candlestick Point

The former Hunter's Point Naval Shipyard and Candlestick Point comprise over 700 acres of waterfront land along San Francisco's southeastern shores. The development project is designed to provide over 10,500 residential units, a significant portion of which will be offered at below-market rates; over 300 acres of new waterfront parks, including a new "Crissy Field of the South"; approximately 800,000 square feet of destination and neighborhood retail and entertainment space; and over 2.5 million square feet of commercial space oriented around a "green" science and technology campus targeting emerging technologies. The project is also being designed to accommodate a world-class football stadium for the San Francisco 49ers.

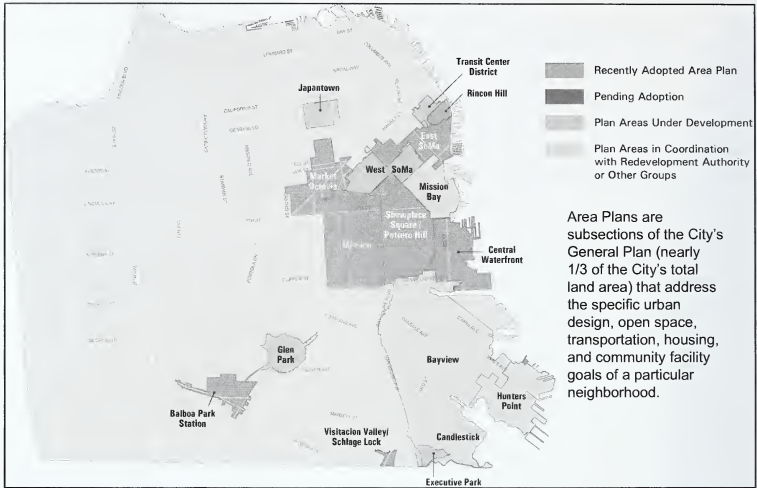
The first phase of the Shipyard's development is already underway (Shipyard Phase 1). Up to 1,600 homes and 25 acres of open space will be built on Shipyard "Parcel A." Lennar/BVHP, the City's development partner for Shipyard Phase 1, will begin construction on the first homes in early 2010. The balance of the Shipyard development (Parcels B through E) will be built in association with Candlestick Point as one development project. In May 2007, the Board of Supervisors and the Mayor approved a resolution endorsing a "Conceptual Framework" for the two sites. Building upon the Conceptual Framework, in June 2008 62 percent of San Francisco voters approved the "Bayview Jobs, Parks and Housing Initiative" (Proposition G), which outlined the goals and principles upon which the City may move forward with redevelopment of the integrated area. Next steps include the certification of the Final Environmental Impact Report, Redevelopment Plan Amendments, General Plan Amendments, and the Disposition and Development Agreement between the Redevelopment Agency and the master developer for the integrated site.

The integrated development of the Shipyard and Candlestick Point is one of the largest redevelopment projects in the history of San Francisco. Therefore the need for partnership among public and private agencies and community groups is virtually unprecedented. Key partners include the master developer Lennar Communities; the San Francisco Redevelopment Agency; the San Francisco Departments of Economic and Workforce Development, Recreation and Parks, and Planning; California State Parks; the Bayview Hunters Point Project Area Committee; and the Mayor's Hunters Point Shipyard Citizens Advisory Committee.



*Bayview Hunter's Point &
Candlestick Point Site Plan*

For more information on the Bayview Hunter's Point redevelopment area, see the San Francisco Redevelopment Agency website at: www.sfdevelopment.org



The Planning Department is engaged in several community-based planning initiatives to encourage housing, enhance downtown and other neighborhoods, support infill around transit, and update zoning to accommodate growth while maintaining livability and neighborhood character. The resulting twenty-year Area Plans are adopted by the Board of Supervisors and form subsections of the City's General Plan, addressing the specific urban design, open space, transportation, housing, and community facility goals of a particular neighborhood. Each Area Plan recommends a host of specific infrastructure projects designed to support new residential and commercial development.

The City has recently adopted Area Plans in Rincon Hill, Market & Octavia, Bayview Hunter Point, the Eastern Neighborhoods, Visitation Valley and Balboa Park and planning processes are well underway in Transbay, Japantown, Fisherman's Wharf, and some smaller targeted areas. When complete, these Area Plans will comprise nearly one-third of the City's total land area.

Successful plan implementation will not only require near term investments in the areas' streets, sidewalks and parks, but also longer term improvements to the City's infrastructure, including transit and community facilities. While each Plan's Community Improvement Program has a funding strategy, in most cases identified funding will not meet expected costs.

Changes to This Year's Section

Near-term priority projects with identified funding (such as Leland Avenue, some capital projects in Market and Octavia, and the redesign of Cesar Chavez Street), have been moved from emerging needs within the Planning Department's chapter to funded projects within the implementing agencies' chapters of this plan. Remaining infrastructure improvements identified by each community planning process will be moved in future years once funding is secured. Until then, they are considered emerging needs in the schedule at the end of this chapter, organized by the City department that will ultimately implement them.

The City's Interagency Plan Implementation Committee (IPIC) is working with each Area Plan's Citizen Advisory Committee (CAC) to prioritize future infrastructure improvements. At the same time, the Planning Department and Capital Planning Program are working with the implementing departments to identify additional state and federal grants, General Fund monies, or other funding mechanisms such as land secured financing or Infrastructure Finance Districts to fund the remaining emerging needs.

Rincon Hill

The Rincon Hill Plan provides the blueprint for a new high-density neighborhood just south of the Financial District. With over 3,600 new residential units planned in Rincon, and another 3,200 new units planned in the adjacent Transbay Redevelopment Area, this downtown neighborhood plan creates housing for over 15,000 new residents.

The Rincon Hill Plan recommends a comprehensive program of public improvements to support new residents, including extensive streetscape improvements and pedestrian safety projects along Folsom Boulevard, Main, Beale, and Spear Streets; new open space including a large proposed park on Harrison Street and a smaller "pocket park" on Guy Street; a community center at the Sailor's Union of the Pacific building; and enhancements to library resources. DPW, RPD, and the Library share responsibility for these Rincon Hill improvements.

Funding for these improvements will be partially provided through development impact fees in the form of direct cash payment, in-kind contributions, or participation in a Mello-Roos assessment district. However, impact fees are anticipated to cover only \$18 million of the approximately \$38 million required for all recommended projects, and other sources of funding will be required. With development activity substantially diminished due to the economy, anticipated development fees are delayed, resulting in a significant shortfall for projects that have already started or are about to begin.

Market & Octavia

The Market & Octavia Plan envisions 6,000 new residential units housing 10,000 additional

Successful plan implementation will not only require near term investments in the areas' streets, sidewalks and parks, but also longer term improvements to the City's infrastructure, including transit and community facilities.

IPIC coordinates with each CAC, develops criteria and recommendations, identifies departmental collaboration opportunities, and reports to the Capital Planning Committee and Board of Supervisors on the progress of project implementation and funding. IPIC membership includes the City Administrator's Office, MTA, DPW, RPD, SFCTA, and Planning Department.

people in the Market and Octavia neighborhood. To accommodate this projected growth, the plan calls for enhancements to parks and open space, streetscape and pedestrian rights of way, and community facilities. These enhancements include the upcoming Van Ness Bus Rapid Transit Project, new open space in McCoppin Square north of Valencia Street and Brady Park on Brady Street, new childcare facilities, enhancements to library facilities and "living streets and alleys", street tree plantings, and corner bulb-outs at key pedestrian intersections. DPW, RPD, DCYF, the MTA, and the Library will share responsibility for these improvements.

The Planning Department estimates capital improvement costs will total \$139 million dollars during the first ten years of this Capital Plan (Phase I). The Department is currently evaluating potential revenue sources to meet these needs. Known revenue streams include an impact fee on new residential and commercial development, a density bonus program, central freeway ancillary project funds, and the funding secured for the Van Ness Bus Rapid Transit project. These sources are anticipated to generate \$76 million over the next ten years, leaving a projected deficit of \$63 million. Potential revenue sources such as assessment districts, additional fees, and competitive grants may help close this gap. Outstanding funding issues include consideration of new operating costs and strategies to address cash flow issues associated with impact fee revenue.

DPW, MTA, and RPD have programmed over \$10 million of Market and Octavia projects over the next 5 years. These projects include a project to improve Haight Street bus operations, various pedestrian improvements, enhancements to Hayward Park, and other streetscape improvements.

Eastern Neighborhoods

The Eastern Neighborhoods re-zoning effort creates the potential for up to 10,000 new residential units, and over 13,000 new jobs. However, a significant portion of this new development will occur in formerly industrial areas lacking in the services and infrastructure necessary for a livable neighborhood.

The plans include an Improvements Program which addresses these needs. While several of the short-term improvements, programmed for the first five years of Plan implementation, have been specifically identified, many of the longer-term projects are only identified in a general sense (e.g. "one new park") and their specific location, design, and cost will develop during the Plans' ongoing implementation. The Community and the Board of Supervisors have identified short-term priority capital projects for implementation in the Eastern Neighborhoods Area, including extension of the Muni Route 22-Fillmore along 16th Street east of Kansas Street to a terminal on Third Street in Mission Bay; pedestrian improvements along Townsend Street adjacent to the Caltrain Station and to the newly

For more information on the revenue sources under consideration see the Eastern Neighborhoods Infrastructure Finance Working Group's July 2009 report "*Strategies for Funding Public Improvements in the Eastern Neighborhoods*" available at www.sfgov.org/cpp

renovated Victoria Manalo Draves Park from the Soma Eugene Friend Recreation Center and the Bessie Carmichael School; streetscape improvements to Folsom Street as a "civic boulevard" in the South of Market and to 16th street alongside the Muni Route 22 – Fillmore extension; a new park at the existing PUC-owned surface parking lot on 17th & Folsom Streets and a new public open space within excess street right-of-way in Showplace Square.

The Planning Department estimates all capital improvement costs – including the short-term priority projects described above – will total between \$244 million for a basic set of improvements and \$395 for full funding of all recommended projects. To meet these capital needs, the Department has identified a number of existing revenue sources, including the newly adopted Eastern Neighborhoods Impact Fee which will address \$53 million of these costs. The City is continuing to evaluate future revenue sources, including active pursuit of state and federal grants, consideration of a permanent "special fund" set aside, and an infrastructure finance district ("IFD") to meet the remaining funding needs.

Balboa Park

The Balboa Park Station Area Plan lays out a two-part redevelopment vision. The first component of the vision aims to bring more housing opportunities close to transit along the main streets of Geneva, Ocean, Phelan, and San Jose Avenues, and in the area surrounding the station. These housing opportunities aim to provide approximately 1,800 housing units over the next 20 years. The second component includes dramatically re-engineering the area's public facilities and public realm, including redesigning the main streets in the plan area, improving transit service and transit facilities, and creating a new open space system comprised of parks and plazas. The Planning Department estimates capital improvement costs will total approximately \$65 million dollars, with \$12 million dollars of public grants and programming already dedicated to funding these improvements. The Balboa Park Station Area Plan includes an impact fee which will be a new source of revenue, however there still exists a \$53 million deficit in the next ten years. The Plan identifies future potential revenue sources to fill roughly \$20 million of this gap.

Visitacion Valley / and Bayview Hunter's Point

The Visitacion Valley Redevelopment Program envisions the former Schlage Lock factory redeveloped into a transit-oriented mixed use development. The plan calls for the creation of over 1200 new residential units, a mid-sized grocery store, and other neighborhood commercial ground floor retail on the Schlage site. It also includes three new interconnected neighborhood parks of different sizes as well as a community plaza, the extension of the Visitacion Valley street grid throughout the Schlage Lock property, and the integration of Leland Avenue into the site. Finally, the plan supports strategic infill development and a number of community improvements outside the Schlage site, along Bayshore Boulevard

and Leland Avenue.

The Bayview Hunters Point Area Plan provides a general outline for community development in the Bayview, including additional housing, recreation, open space, and public service facilities, and better addressing transportation deficiencies by offering a wider range of transportation options.

Area Plans in Visitacion Valley and Bayview Hunter's Point are contained in designated redevelopment project areas. The capital improvements proposed in these neighborhood are therefore the responsibility of the San Francisco Redevelopment Agency.

Other Plans Under Development

The Planning Department also has several other planning efforts underway that will result in proposed public improvements, including streetscape improvements, open space acquisitions and improvements, and transportation and circulation changes. Many of these planning efforts are currently developing a community improvements program with related cost and revenue projections (see below for a summary of major efforts).

- **Transit Center District Plan.** [Coordinated with the SFRA and the Transbay Joint Powers Authority (TJPA)] The Plan will result in a net addition of approximately 9 million square feet of space, including about 6 million square feet of office space, over 1,000 housing units, and additional hotel and retail space. Key capital improvements associated with the project include:
 - » Completion of the Transit Center project, which includes the downtown rail extension for Caltrain and High Speed Rail.
 - » Sidewalk widening and streetscape improvements: \$120 million
 - » Open Space: \$35 million
 - » District Combined Heat & Power: TBD
 - » District Recycled Water: TBD

New funding mechanisms tied to development will be proposed, and a large portion of this revenue will go toward the Transit Center project. There will likely be a significant capital shortfall for the Transit Center project which the Transbay Joint Powers Authority (TJPA) is working to close.

- **Glen Park.** [In coordination with MTA] A planning process is underway to develop a community plan for the "downtown" Glen Park neighborhood, including the commercial area, the BART station area, city streets, and public open spaces. Key capital projects

associated with the project include:

- » Improvements to Diamond/Bosworth Street intersection
- » Roundabouts at the Bosworth/Arlington Street and Bosworth/Lyell Street
- » Parking meters/pay-and-display on Bosworth, Arlington and Lyell Streets
- » Roadway and streetscape improvements for San Jose Avenue
- » Remove San Jose Avenue overpass concurrent with seismic upgrade;
- » Traffic calming improvements
- » Bike network improvements
- » Improve ADA access to the BART station and Muni J-line platform
- » Accessible connection to the J-Church stop and a BART station bus loop
- » Streetscape improvements
- » Redesign and construct improvements to lower BART plaza
- » Open Space
- » Greenway Conceptual Landscape Plan

Funding for these projects are primarily from Federal and State grants, with the City's General Fund supporting the match requirements.

- **Japantown.** A community planning process is currently underway, intended to secure the future of Japantown. The draft plan currently includes the following key capital projects:
 - » New linear park on a portion of the Webster Street right-of-way between Geary and Sutter
 - » Improvements to Peace Plaza
 - » Streetscape improvements along Post Street and other key streets in Japantown.
- **Fisherman's Wharf.** [In coordination with the Port] This is a community-based planning process to improve the quality and attractiveness of pedestrian spaces in Fisherman's Wharf. Key capital projects associated with the project include:
 - » Jefferson street redesign ~ \$14 million. Improve the space dedicated to pedestrians.
 - » Aquatic Park Plaza ~ \$3 million. Convert surface parking lot located at the end of

Jefferson Street to a pedestrian plaza.

- » Taylor Street Improvements ~ \$ 1 million. Link the cable car turnaround to Fisherman's Wharf.
- » Columbus Ave Terminus at Joseph Conrad Square ~ \$750,000. Link the park with adjacent sidewalk and create a plaza at Columbus Ave.

Economic Development

Program / Project	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
<u>SPENDING PLAN</u>								
Port of San Francisco		30,632	33,399	35,870	59,322	38,875	272,912	2,100,640
Moscone Convention Center		17,310	20,053	14,571	18,846	5,699	43,374	119,853
Mission Bay Redevelopment		45,339	23,138	26,177	79,435	74,947	125,084	374,120
Treasure Island Redevelopment	115,478	137,444	169,136	99,870	98,798	95,234	485,570	1,086,053
Hunters Point Redevelopment		29,425	143,315	96,202	202,243	172,462	1,102,969	1,746,616
Planning Department	55,473	354	2,544	4,911	749	44,182	577,505	630,245
TOTAL	170,951	260,505	391,586	277,601	459,392	431,399	2,587,414	6,037,527
<u>REVENUES</u>								
General Fund						5,699	43,374	49,073
Revenue Bonds		13,500	20,184	26,451	68,877		62,281	191,294
Clean & Safe Neighborhood Parks Bond		13,700		19,800				33,500
Port Funds & Tenant Responsibility		9,000	14,463	27,500	7,500	7,500	113,840	179,803
Development Projects			68,000				12,500	80,500
Tourist Improvement District Assessment		3,810	9,211	11,620	18,846			43,487
Land-Secured Financing (TIF, IFD, Mello Roos)		21,300	73,941	103,193	164,326	303,884	1,147,881	1,814,535
Land & Acreage Sales								
Private Capital		190,908	261,648	119,057	216,149	37,435	752,056	1,577,254
Planning Department Area Plan Sources	55,274	539	8,321	17,030	13,398	5,276	51,207	95,770
Federal		4,500	20,500					25,000
TOTAL	55,274	257,257	476,268	324,651	489,096	359,805	2,183,139	4,090,216
Total San Francisco Jobs/Year		1,852	3,429	2,337	3,521	2,591	15,719	29,450
Annual Surplus / (Deficit)		(3,247)	84,682	47,049	29,704	(71,595)	(404,275)	(1,947,312)

Departmental Breakdown Port of San Francisco

Program / Project	BACKLOG	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
SPENDING PLAN								
Facilities, by Region								
Fisherman's Wharf	84,998	262	654	2,104	10,355	879	14,262	113,514
Northeast Waterfront	353,267	500	361		11,727	3,083	30,773	399,711
Ferry Building Area	79,878	254		698	4,743		8,294	93,667
South Beach	311,165		637	3,477	233	943	5,192	321,647
China Basin	132,368				1,722	843	5,611	140,544
Southern Waterfront	609,986	25	2,156		951	3,536	60,825	677,479
Portwide Misc.(Equipment, ADA Plan)	13,688							13,688
Subtotal	1,585,350	1,041	3,808	6,279	29,731	9,284	124,957	1,760,450
Portwide Annual Programs								
Dredging		3,504	3,504	3,504	3,504	3,504	17,520	35,040
Facility Condition Survey		350	350	350	350	350	1,750	3,500
Emergency Facility Repair		1,168	1,168	1,168	1,168	1,168	5,840	11,680
Special Area Plan		1,101	1,101	1,101	1,101	1,101	5,505	11,010
Pier/Wharf Substructure Reinvestment	44,280	23,488	23,468	23,468	23,468	23,468	117,340	278,960
Subtotal	44,280	29,591	29,591	29,591	29,591	29,591	147,955	340,190
Total Annual Need		30,632	33,399	35,870	59,322	38,875	272,912	2,100,640
Total Cumulative Need	1,629,630	1,660,262	1,693,661	1,729,531	1,788,853	1,827,728	2,100,640	
REVENUES								
Port Tenant Responsibility							76,340	76,340
Port Funds		9,000	14,463	27,500	7,500	7,500	37,500	103,463
Port Revenue Bonds			9,342	23,500	68,877		62,281	164,000
Development Projects			68,000				12,500	80,500
Infrastructure Finance District							205,000	205,000
Clean & Safe Neighborhood Parks Bond		13,700		19,800			33,500	67,000
Federal (Water Resources Development Act)		4,500	20,500				25,000	50,000
TOTAL		27,200	112,305	70,800	76,377	7,500	393,621	687,803
Total San Francisco Jobs/Year		196	809	510	550	54	2,834	4,952

Moscone Convention Center

Program / Project	BACKLOG	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
State of good repair renewal - Need	10,064	10,701	11,236	11,798	12,387	13,007	75,464	134,582
SPENDING PLAN								
Renewals		13,500	10,842	2,951		5,699	43,374	76,367
Modernizations & Aesthetic Improvements		3,810	9,211	11,620	18,846			43,487
TOTAL		17,310	20,053	14,571	18,846	5,699	43,374	119,853
REVENUES								
General Fund						5,699	43,374	49,073
Revenue Bonds		13,500	10,842	2,951				27,294
Tourist Improvement District Assessment		3,810	9,211	11,620	18,846			43,487
TOTAL		17,310	20,053	14,571	18,846	5,699	43,374	119,853
Total San Francisco Jobs/Year		125	144	105	136	41	312	863

Mission Bay Redevelopment

Program / Project	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
SPENDING PLAN								
Infrastructure Costs		40,565	17,449	20,301	72,893	67,177	65,994	284,379
Affordable Housing		4,547	5,418	5,596	6,230	7,400	56,276	85,468
Other Costs (Agency Costs)		227	271	280	312	370	2,814	4,273
TOTAL		45,339	23,138	26,177	79,435	74,947	125,084	374,120
REVENUES								
Tax Increment Financing		24,039	15,438	21,177	37,635	23,734	171,247	293,270
Private Capital		21,300	7,700	5,000	41,800	49,900	(44,848)	80,851
TOTAL		45,339	23,138	26,177	79,435	73,634	126,398	374,120
Total San Francisco Jobs/Year		326	167	188	572	530	910	2,694

Treasure Island Redevelopment

Program / Project	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
SPENDING PLAN								
Property Acquisition/Assumption	13,467	8,978	8,978	8,978				26,934
Infrastructure Costs	35,799	70,217	78,409	29,331	33,166	36,649	148,666	396,458
Transportation Program (Ferry Terminal, Boats, Shuttles, Parking)	4,220	8,441	8,831	12,933	17,840	8,622	59,971	116,638
Affordable Housing	11,120	21,883	30,471	19,497	20,794	18,243	76,938	187,826
Environmental Remediation	1,030	2,194	2,477	1,842	1,313	2,172	17,052	27,050
Historic Rehab, Retail Subsidy & Fiscal Mitigation Payments	7,350	7,499	11,160	7,844	2,670	4,201	37,228	70,602
Other Costs (Entitlement, Marketing, Project Management, et al.)	37,828	8,056	12,807	8,849	8,770	9,740	27,007	75,228
Inflation to Costs	4,684	10,176	16,004	10,597	14,245	15,607	98,688	165,317
TOTAL	115,478	137,444	169,136	99,870	98,798	95,234	465,570	1,066,053
REVENUES								
Mello Roos			60,399	43,994	45,000	66,796	144,538	360,728
Tax Increment Financing						53,004	228,178	281,182
Private Capital		137,444	108,737	55,876	53,798	(24,566)	92,854	424,143
TOTAL	115,478	137,444	169,136	99,870	98,798	95,234	465,570	1,066,053
Total San Francisco Jobs/Year	831	990	1,218	719	711	686	3,352	7,676

Planning - Rincon Hill

Program / Project

SPENDING PLAN

Recreation and Parks Department

Department of Public Works

Library Commission

Program Administration

TOTAL

REVENUES

Local - Rincon Hill Fund Impact Fees (Cash)

Local - Rincon Hill Fund Impact Fees (In-Kind)

Local - Rincon Hill Fund Impact Fees (Mello-Roos)

TOTAL

Total San Francisco Jobs/Year

Annual Surplus / (Deficit)

Cumulative Surplus / (Deficit)

FY 2016 -
FY 2020

FY 2015

FY 2014

FY 2013

FY 2012

FY 2011

Prior Years

FY 2010

FY 2009

FY 2008

FY 2007

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FY 1758

Planning - Market & Octavia

Program / Project	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
<u>SPENDING PLAN</u>								
Recreation and Parks Department	1,500						29,504	29,504
Department of Public Works							15,105	15,105
Municipal Transportation Agency	47,824						28,903	28,903
Department of Children, Youth, and their Families						1,084	11,300	12,384
Library Commission						116	303	421
Program Administration	304	108	118	143	204	168	2,717	3,458
TOTAL	49,628	108	118	143	204	1,370	87,832	89,775
<u>REVENUES</u>								
Local - Market and Octavia Improvements Fund	155	1	129	790	794	277	13,728	15,719
Local - Van Ness Market Density Bonus Program							10,165	10,165
Mix - Other Sources	49,584							
TOTAL	49,739	1	129	790	794	277	23,893	25,884
Total San Francisco Jobs/Year		0	1	6	6	2	172	186
Annual Surplus / (Deficit)		(108)	(118)	(143)	(204)	(168)	(2,717)	(3,458)
Cumulative Surplus / (Deficit)	111	3	(115)	(258)	(462)	(630)	(3,347)	

Planning - Eastern Neighborhoods

Program / Project

Prior Years

FY 2011

FY 2012

FY 2013

FY 2014

FY 2015

FY 2016 -
FY 2020

Plan Total

SPENDING PLAN

Recreation and Parks Department

Department of Public Works

Municipal Transportation Agency

Department of Children, Youth, and their Families

Library Commission

Program Administration

TOTAL

REVENUES

Local - EN Community Improvements Fund

TOTAL

Total San Francisco Jobs/Year

Annual Surplus / (Deficit)

Cumulative Surplus / (Deficit)

Planning - Balboa Park

Program / Project

Prior Years

FY 2011

FY 2012

FY 2013

FY 2014

FY 2015

FY 2016 -
FY 2020

Plan Total

SPENDING PLAN

Recreation and Parks Department

Department of Public Works

Municipal Transportation Agency

Department of Children, Youth, and their Families

Library Commission

Program Administration

TOTAL

REVENUES

Local - Balboa Park Community Improvements Fund

TOTAL

Total San Francisco Jobs/Year

Annual Surplus / (Deficit)

Cumulative Surplus / (Deficit)

Planning Department Total

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total
SPENDING PLAN							
Recreation and Parks Department	3,472	819	2,200		18,329	149,188	170,536
Department of Public Works	3,873	1,458	1,952		10,687	107,625	121,722
Municipal Transportation Agency	47,824	246	250	500	9,808	290,678	301,591
Department of Children, Youth, and their Families					2,912	23,980	26,903
Library Commission					575	1,570	2,145
Program Administration	304	108	159	249	1,871	4,454	7,349
TOTAL	55,473	354	4,911	749	44,182	577,505	630,245
REVENUES							
Revenue Total	55,274	8,321	17,030	13,398	5,276	51,207	95,770
TOTAL	539	8,321	17,030	13,398	5,276	51,207	95,770
Total San Francisco Jobs/Year	4	60	123	96	38	369	690
Annual Surplus / (Deficit)	185	5,776	12,119	12,649	(38,906)	(526,298)	(534,475)
Cumulative Surplus / (Deficit)	(55,473)	(55,288)	(49,512)	(37,392)	(63,649)	(589,947)	



VIII | General Government

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General Government



The table below lists the key facilities operated and maintained by the Department of Public Works (DPW), the Department of Technology (DT) and the General Services Agency (GSA).

Map ID	Facility	Map ID	Facility
1,2	Moscone Convention & Visitors Bureaus/Hallidie Plaza	9	1660 Mission Street
3	Power House	10	1680 Mission Street
4	Superior Courts Building	11	Animal Control Facility
5	City Hall	12	DT Central Radio Station – Twin Peaks
6	240 Van Ness (inactive)	13	DPW Corporation Yard
7	25 Van Ness	14	Produce Market- Central
8	30 Van Ness	15	Central Shops (Jerrold Avenue & Toland Street)
9	1650 Mission Street	16	DT Admin & Shops

The City's Real Estate Division manages more than four million square feet of office and other civic facilities, primarily in the Civic Center, and operates several industrial/corporate yards to support the operations of multiple departments. The key facilities are displayed on the opposing page.

Highlights and Accomplishments

The City continues to make progress in its long-term effort to move employees from leased to owned space and improve the condition and functionality of its facilities.

Recently completed moves and those planned in the next few months will fill up the remaining vacant space at One South Van Ness, discontinue some of the City's leases at 875 Stevenson, and enable operational savings and efficiencies by consolidating department functions. Included among these moves was a major consolidation of SFMTA offices in 2009. Only a few years ago, the SFMTA had offices spread over more than four buildings in the Civic Center and other parts of the city. In the upcoming year, the Controller's Office payroll and E-Merge divisions will move from two locations to a shared space at One South Van Ness. The relocation of the SFMTA and Controller's Office out of 875 Stevenson reduces the lease footprint of 875 Stevenson by more than 30,000 square feet, saving the City several thousands of dollars in annual rent. Pursuant to a 2009 Board-approved lease amendment, the City plans to continue reducing leased space at 875 Stevenson during the next year.

Additional office moves in the Civic Center area include the relocation and expansion of Department of Public Health functions into the first floor of 25 Van Ness, a space that has been vacant for more than four years because of a lack of funds for necessary ADA and HVAC improvements. The improvements and move will be funded through a federal grant.

Some of the major facility improvements include several roof replacements at Civic Center facilities, including 25 and 30 Van Ness, 1650 Mission and One South Van Ness (to be completed Spring 2010). Utility infrastructure improvements, a new bike room, a living roof element, energy efficient lighting and other enhancements at One South Van Ness will likely result in it becoming the City's first LEED-EB certified building.

Finally, operational changes from third-party janitorial and security contracts and the pooling of limited property management resources has enabled departments to pay below-market rental rates in several Civic Center facilities.

For General Government facilities, the Plan proposes investments of \$210 million, an increase of 45 percent due to the addition of the Wholesale Produce Market Expansion, a

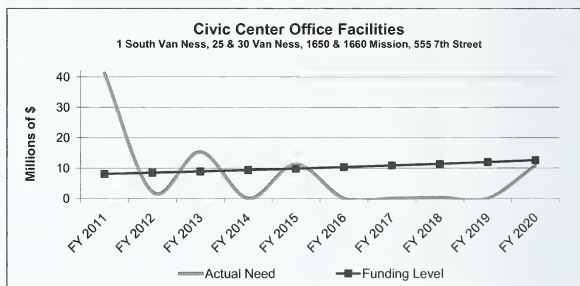
The benefits of acquiring office space rather than leasing is that it offers protection from rental rate fluctuations, allows for more long-term planning, and provides greater flexibility with respect to modifying office space.

project funded through sources outside of the City's General Fund.

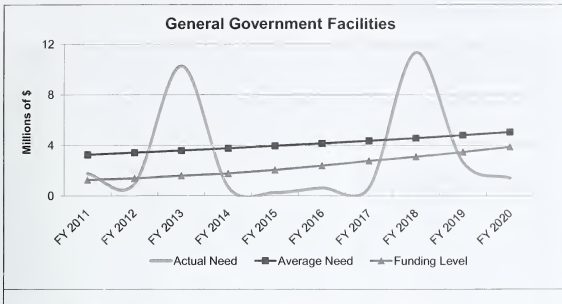
1. Renewal Program

This year's plan assumes the same approach to funding renewal costs for Office and Support facilities. The renewal costs for six Civic Center office buildings operated by the City Administrator's Office will be covered through rent payments from occupying departments. Tying renewal costs to rent provides a more secure source of revenue for building maintenance and better reflects the true cost of occupying the space. The buildings included in this arrangement are 25 Van Ness, 30 Van Ness, 1650 Mission, 1660 Mission, 555 7th Street, and 1 South Van Ness.

FRRM projects renewal costs totaling \$102 million for these six buildings over the next ten years, an increase of eight percent. Although the annual needs are funded through rent payments, the existing backlog of deferred maintenance totals nearly \$1.1 million.



Renewal costs for the remaining General Government facilities total \$41 million. Given funding constraints, the plan allocates almost \$24 million to meet these needs. No funds are proposed to reduce the existing \$13.6 million backlog of deferred maintenance. The top line in the table at the end of this chapter shows the renewal need for these facilities.



2. Enhancement Program (FY2011 – FY2020)

The only significant enhancements proposed in the first five years of the plan are the data center relocation and the produce market expansion.

- Hall of Justice (HOJ) Interim Improvement Program.** The plan proposes a phased replacement of the HOJ. However, critical life safety, security, mechanical and electrical systems need to be repaired since many departments will remain in the building for several years. The plan allocates \$5 million for these needs.
- Data Center Relocation.** In collaboration with Real Estate and DPW, the Department of Technology (DT) has evaluated potential sites for a long-term Data Center. While early estimates for a new center recommend \$12.4 million for basic infrastructure and tenant improvements, this number is likely to change depending on the power needs, size, and location of a long-term facility. The power needs and size of the new data center will largely be informed by the results of a comprehensive data center consolidation study currently being undertaken by DT that is scheduled for release in Spring. The data center costs in this plan do not include information systems purchases (hardware, server racks, software, etc.) to be funded through the City's Committee on Information Technology budget process.
- Wholesale Produce Market Expansion.** In 2009, The Board of Supervisors approved the Fiscal Responsibility and Feasibility Report for the proposed expansion of the market on Jerrold Avenue and Highway 280. Currently under CEQA review, the project proposes increasing the footprint of the market by about 25 percent and making improvements to comply with real estate market requirements and anticipated food safety regulations. The plan proposes investments of almost \$85 million funded through current market revenue and a combination of financing options outside of the City's General Fund. An initial investment of \$1.8 million for planning and design is funded by the San Francisco Produce Market Corporation. Costs for implementing the third phase of the project fall

outside of the ten-year plan.

The market expansion requires the demolition of DT's Industrial Yard and the SFMTA street operations center which are currently located at 901 Rankin. The plan considers the relocation of DT's facility as an emerging need until a replacement site is identified. The street operations center will be co-located with other SFMTA warehouse facilities.

3. Deferred Projects

In addition to the existing backlog of deferred maintenance identified in the renewal section, the proposed ten-year capital plan defers another \$143 million in enhancements. These include the following:

- **GSA Central Shops and DPW Corporate Yard Modernization.** The plan defers the renovation and seismic upgrade of these facilities, estimated to cost approximately \$84 million.
- **240 Van Ness Seismic Upgrade.** This seismically unsafe, unreinforced masonry building has been inactive since 1989. The plan defers the \$2.6 million to demolish the building.
- **Asphalt Plant Upgrade.** The estimated cost to upgrade the plant to allow for greater use of recycled content is more than \$5.8 million. The plan defers this project, pending policy options being considered by the Mayor's Office and Board of Supervisors.

4. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan but will be reviewed in the subsequent year's capital plan as additional planning and uncertainty around project-specific issues are resolved.

- **Communications Services Industrial Yard Relocation (DT).** Located at 901 Rankin Street, the current set of buildings at this location are seismically deficient and well beyond their useful life. Given this and the proposed demolition of these buildings to allow for the expansion of the Wholesale Produce Market, DT and Real Estate are in the process of identifying another location and establishing an accurate replacement cost.
- **Communications System Modernizations.** The need for improvements to the communications system will be refined in future plans. Identified needs include the replacement of the 800 MHz radio system and rented T-1 lines with City-owned fiber, an expansion of the Twin Peaks radio tower site, replacement of microwave links, and upgrades to the voice network. More information will be available once the Telecommunications Plan is complete.

General Government

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
Slate of good repair renewal - Need	11,361	11,929	12,526	13,152	13,810	80,122	142,899	13,623
SPENDING PLAN								DEFERRED
Slate of good repair renewal - Proposed Uses	12,295	11,816	10,438	11,054	11,786	71,874	129,263	25,031
ADA Transition Plan Improvements	105	171	475	608			1,358	
Enhancements	14,200	20,800				42,622	77,622	96,104
TOTAL	26,600	32,786	10,913	11,662	11,786	114,496	208,243	121,136
REVENUES								
General Fund	3,587	3,003	1,975	2,277	1,932	14,702	27,826	
Certificates of Participation	12,400	20,800				34,900	68,100	
Local - Rent	8,107	8,512	8,938	9,385	9,854	57,172	101,968	
Private and Non-Profit Sources	1,800					7,722	9,522	
Slate	707	471					1,178	
TOTAL	26,500	32,786	10,913	11,662	11,786	114,496	208,593	
Total San Francisco Jobs/Year	192	236	79	84	85	824	1,502	

Departmental Breakdown

Department of Public Works

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 - FY 2020	Plan Total	Backlog
Slate of good repair renewal - Need	500	525	552	579	608	3,529	6,293	
SPENDING PLAN								DEFERRED
Slate of good repair renewal - Proposed Uses	147	161	185	206	239	1,816	2,754	4,694
ADA Transition Plan Improvements								
Renovation of DPW Corporate Yard								70,118
Asphalt Plant Upgrade								5,759
1680 Mission Emergency Generator								4,206
TOTAL	147	161	185	206	239	1,816	2,754	84,777
REVENUES								
General Fund	147	161	185	206	239	1,816	2,754	
TOTAL	147	161	185	206	239	1,816	2,754	
Total San Francisco Jobs/Year	1	1	1	1	2	13	20	

Department of Technology

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 -	Plan Total	Backlog
State of good repair renewal - Need	204	214	224	236	247	1,435	2,560	
SPENDING PLAN								
State of good repair renewal - Proposed Uses	60	65	75	84	97	739	1,120	1,909
ADA Transition Plan Improvements			69	486			556	
Data Center Relocation	12,400						12,400	
TOTAL	12,460	65	145	570	97	739	14,076	1,909
DEFERRED								
REVENUES								
General Fund	60	65	145	570	97	739	1,676	
Certificates of Participation	12,400						12,400	
TOTAL	12,460	65	145	570	97	739	14,076	
Total San Francisco Jobs/Year	90	0	1	4	1	5	101	

Program / Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 -	Plan Total	Backlog
State of good repair renewal - Need	10,657	11,190	11,750	12,337	12,954	75,158	134,046	13,623
SPENDING PLAN								
State of good repair renewal - Proposed Uses	982	1,077	1,240	1,379	1,596	12,148	18,421	18,428
State of good repair renewal - Civic Center Office Facilities	8,107	8,512	8,938	9,385	9,854	57,172	101,968	
ADA Transition Plan Improvements	105	171	405	122			803	
Wholesale Produce Market Expansion	1,800	20,800				42,622	65,222	
Hall of Justice Interim Improvement Program	3,000	2,000					5,000	
Central Shops Renovation and Seismic Upgrade								13,456
240 Van Ness Demolition								2,566
TOTAL	13,994	32,560	10,583	10,886	11,450	111,942	191,414	34,449
DEFERRED								
REVENUES								
General Fund	3,380	2,777	1,645	1,501	1,586	12,148	23,396	
Local - Rent	8,107	8,512	8,938	9,385	9,854	57,172	101,968	
Certificates of Participation		20,800				34,900	55,700	
Private and Non-Profit Sources	1,800					7,722	9,522	
State	707	471					1,178	
TOTAL	13,994	32,560	10,583	10,886	11,450	111,942	191,764	
Total San Francisco Jobs/Year	101	234	76	78	82	406	1,381	

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SEC. 3.20. CAPITAL EXPENDITURE PLAN.

By March 1 of each year, the City Administrator shall annually submit to the Mayor and Board of Supervisors a ten-year capital expenditure plan which shall include an assessment of the City's capital infrastructure needs, investments required to meet the needs identified through this assessment, and a plan of finance to fund these investments. By May 1 of each year, the Mayor and Board of Supervisors shall annually review, update, amend, and adopt by resolution the ten-year capital expenditure plan.

The capital expenditure plan shall include all recommended capital project investments for each year of the plan. The plan shall incorporate all major planned investments to maintain, repair, and improve the condition of the City's capital assets, including but not limited to city streets, sidewalks, parks, and rights-of-way; public transit infrastructure; airport and port; water, sewer, and power utilities; and all City-owned facilities.

The capital expenditure plan shall include a plan of finance for all recommended investments, including proposed uses of General and Enterprise Funds to be spent to meet these requirements. Additionally, the plan shall recommend the use and timing of long-term debt to fund planned capital expenditures, including General Obligation bond measures.

The capital expenditure plan shall include a summary of operating costs and impacts on City operations that are projected to result from capital investments recommended in the plan. This operations review shall include expected changes in the cost and quality of City service delivery.

The plan shall also include a summary and description of projects deferred from the ten-year capital expenditure plan given non-availability of funding necessary to meet assessed capital needs. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005) (Former Sec. 3.20 added by Ord. 223-97, App. 6/6/97; amended by Ord. 55-98, App. 2/20/98; repealed by Ord. 216-05)

SEC. 3.21. CAPITAL PLANNING COMMITTEE.

There is hereby created a Capital Planning Committee consisting of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the

Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. Each member of the Capital Planning Committee may designate a person to represent her or him as a voting member of the Committee. Such designations shall be in written documents signed by the designating member and filed with the City Administrator, or her or his designee.

The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan. As such, the Capital Planning Committee shall (1) establish prioritization and assessment criteria to assist the City Administrator with the development of the capital expenditure plan, (2) annually review the City Administrator's proposed capital expenditure plan prior to its submission to the Mayor and Board of Supervisors, and (3) review the annual budget and any proposed use of long-term debt, including General Obligation bonds, to ensure compliance with the adopted capital expenditure plan.

The Board of Supervisors shall not place on the ballot, or authorize the issuance of any long term financing, until the Capital Planning Committee completes a review of the proposal and submits its recommendation to the Board of Supervisors. Each proposal shall be in form and substance satisfactory to the Committee, and shall be accompanied by descriptive financial, architectural, and/or engineering data, and all other pertinent material in sufficiently complete detail to permit the Committee to review all aspects of the proposal. The Committee shall submit a written report to the Mayor and the Board analyzing the feasibility, cost, and priority of each proposal relative to the City's capital expenditure plan.

The Chair of the Capital Planning Committee is hereby authorized to adopt such rules, definitions, and procedures as are necessary to meet the requirements described in Section 3.20 and 3.21. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005) (Former Sec. 3.21 added by Ord. 223-97, App. 6/6/97; repealed by Ord. 216-05)

B. Job Creation Estimation Methodology

In an effort to better evaluate and prioritize capital projects, local governments are examining not only upfront financial costs but also their contributions of direct and indirect jobs generated by the capital investment. The City and County of San Francisco's FY 2011-2020 Capital Plan estimates nearly \$10 billion in capital projects during the next 5 years, which will create as many as 201,000 San Francisco jobs. A job is defined as one job year of full-time work. For example, five people employed for four years equals 20 job years. This jobs estimate is based on the REMI Policy Insight model which attributes 7.2 direct and indirect San Francisco jobs per million dollars in construction spending. This is exclusive of the additional jobs created outside of the City and County as workers and materials migrate in from surrounding areas.

Customized for San Francisco, REMI has the unique ability to determine the effects of taxes and other variables on the local economy. As a result, the Controller's Office of Economic Analysis uses this model for analyzing the economic impact of pending legislation.

The table below summarizes the number of job years from the REMI model based on \$1 million of construction spending in San Francisco. As indicated, each \$1 million invested in construction activities results in about 5 direct construction jobs, 7.2 total direct and indirect jobs, and about 2.3 indirect jobs in the various economic sectors noted above. Stated another way, for each direct construction job, there are about 1.46 total jobs (7.2/4.9), or a construction job multiplier of 1.46.

Estimated Jobs Created from Construction Spending in San Francisco

Economic Sector	Total Jobs per \$1 M Construction Spending
Construction	4.93
Retail Trade	0.51
Professional & Technical Services	0.35
Accommodations, Food Services	0.23
Admin, Waste Services	0.22
Health Care, Social Assistance	0.19
Other Services (excl Government)	0.16
Real Estate, Rental, Leasing	0.10
Wholesale Trade	0.09
Educational Services	0.08
Arts, Enter, Recreation	0.08
Finance, Insurance	0.07
Manufacturing	0.06
Transportation & Warehousing	0.06
Information	0.05
Management	0.02
Total Jobs	7.20
Construction Multiplier	1.46

Source: Economic Multipliers from Office of Economic Analysis,
Controller's Office REMI Model Outputs from \$1M construction spending.

C. Funding Principles

	Criteria Description	Criteria Measurement
Priority 1	<p>Improvement is necessary to comply with a federal, state, or local legal mandate.</p> <p>The City faces a wide range of directives to improve its facilities, some with significant consequences for failure to perform.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Action is mandated or required by local, state, or federal law, legal judgment or court order. <input type="checkbox"/> Action reduces the City's exposure to legal liability. <input type="checkbox"/> There are significant legal, financial, operating, or accreditation consequences for failure to perform.
Priority 2	<p>Provides for the imminent life, health, safety and security of occupants and the public or prevents the loss of use of the asset.</p> <p>Capital projects that minimize physical danger to those who use and work in City facilities, including protection during seismic events and exposure to hazardous materials.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> The facility has a poor seismic rating with a high risk of collapse or structural damage. <input type="checkbox"/> Increases resiliency to withstand and recover from a disaster, particularly in critical facilities (i.e., hospitals, police and fire stations, jails, sewer system, pump stations, etc). <input type="checkbox"/> Mitigates hazardous materials and/or protects the vital environmental health of those who visit, use, and work in City facilities.
Priority 3	<p>Ensures timely maintenance and renewal of existing infrastructure.</p> <p>It is imperative to maintain the City's infrastructure. However, the lack of maintenance at some facilities will have a greater effect on the asset's value and/or future repair and replacement costs.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Failure to implement project risks potential loss or reduces the useful life of a City asset's value. <input type="checkbox"/> The facility provides government services that cannot be provided at another location.
Priority 4	<p>Supports formal programs or objectives of an adopted plan or action by the Board or Mayor.</p> <p>Capital investments should be integrated with adopted departmental and citywide long-term goals and objectives.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Supports a formally adopted plan or action by the Board of Supervisors or Mayor, (i.e., the City's General Plan or Neighborhood Area Plan) <input type="checkbox"/> Makes a substantial contribution to a broadly-accepted citywide goal (i.e., ecological sustainability or historic preservation)
Priority 5	<p>Enhances the City's economic vitality by stimulating the local economy, increasing revenue, improving government effectiveness, or reducing operating costs.</p> <p>Some projects have a direct or indirect effect on the City's revenues or expenditures. Cost savings or revenue enhancements may help offset the cost to the City of some capital investments.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Generates direct (increased service charges, leases, fees, grants, gifts, or other sources) or indirect (economic development, an increased tax base, business attraction or retention, or other sources) revenues. <input type="checkbox"/> Reduces maintenance or operating costs (i.e., through capital renewal, building redesign, or reduced staffing needs). <input type="checkbox"/> Improves government effectiveness and efficiency in the delivery of services (i.e., faster response times, improved customer service, or increased departmental coordination).

D. Methodology, Assumptions & Terms

Methodology

Under direction of the City Administrator, department staff annually assesses facility conditions, determines renewal cost projections and proposed enhancements, and analyzes available funding resources to prepare a ten-year capital plan.

Through a series of meetings the CPC reviews proposals, staff recommendations, and documents toward the development of the citywide capital plan. These reviews do not, and are not meant to, replace the authority of department commissions' or other oversight bodies under the City Charter and other codes. Rather, the ten-year plan is meant to provide a forum that examines capital needs from a citywide perspective and to foster a dialogue on those needs between stakeholders, commissions, the Mayor, and the Board of Supervisors.

Staff uses two approaches to collect data for the Plan. The Facilities Renewal Resource Model (FRRM) is used to collect information on the good repair and maintenance of facilities and infrastructure (also known as renewals) for all of the General Fund departments. The Airport, Port, and MTA have implemented this model for their facilities as well. In addition, General Fund departments submitted enhancement requests using the Capital Planning and Reporting database (CPR-d). These proposals were reviewed by professional staff (e.g., architects, engineers, etc.) and categorized as a funded, deferred, or emerging needs.

- **Facilities Renewal Resource Model (FRRM)**

For the third year, the City used the facility life-cycle model, to predict annual funding requirements for General Fund department facilities. The objectives of the facility modeling effort are listed below.

- i. Develop a budget model to predict annual funding requirements for facilities renewal and document the existing backlog of deferred maintenance in a consistent way for all departments.
- ii. Provide a basis for a funding plan that will first address adequate resources for renewal and then a reduction of the deferred maintenance backlog.
- iii. Create consistent and comparative data among departments for determining funding allocations and targets for addressing renewal as a part of operating or capital budgets.
- iv. Deliver a cost model to each department with associated staff training so that facilities renewal and deferred maintenance needs can be updated annually and progress in meeting those needs can be measured.
- v. Provide a planning tool for departmental use which provides a useful life "systems" profile of each building, as a way of predicting future funding needs or packaging projects to leverage fund sources.
- vi. Develop a credible model to assess needs consistently and to focus on total funding needs and strategies.

The model uses San Francisco building information (gross square feet, construction date, facility subsystem type), and an approach based on subsystem life cycles and replacement costs to estimate the backlog of deferred maintenance and future capital reinvestment needs. Below is the ten-year renewal forecast report generated by FRRM for a particular facility. This report – one of dozens available – shows subsystems within the building that need to be replaced during the next 10 years and the corresponding cost (in thousands). A variety of other reports are available for further analysis.

Building Name: SFGH - NEW HOSPITAL (BLDG 5)		CRV(\$000's)		\$404,250		Bldg No: 912		GSF: 617,400		Year Built: 1974		FCT: 6.00	
Backlog and 10 year Renewal Forecast by Building (\$000's)													
Subsystem	Backlog	2009	2010	2011	2012	2013	2013	2015	2016	2017	2018	Total	
a. 3. Roofing - Membr Built-up Shingle Bitumen	\$0	\$657	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$657
b.1. Building Extensrs (Hard)	\$0	\$0	\$255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$255
c. 1. Elevators and Conveying Systems	\$0	\$1,908	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,908
d.1. HVAC - Equipment	\$0	\$0	\$3,127	\$0	\$3,127	\$0	\$2,943	\$0	\$0	\$0	\$0	\$0	\$9,196
d.2. HVAC - Controls	\$0	\$0	\$6,235	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,235
e.1. HVAC - Distribution Systems	\$0	\$0	\$4,190	\$0	\$4,190	\$0	\$3,644	\$0	\$0	\$0	\$0	\$0	\$12,124
f.1. Electrical Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,940	\$0	\$0	\$0	\$0	\$19,940
g.1. Plumbing Fixtures	\$0	\$0	\$2,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,392
h.1. Fire Protection Systems	\$0	\$414	\$0	\$0	\$829	\$0	\$1,036	\$414	\$1,036	\$414	\$0	\$0	\$4,143
i.2. Fire Detection Systems	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,569	\$0	\$0	\$0	\$0	\$2,569
k.1. Built-in Equipment and Specialties	\$0	\$0	\$3,485	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,485
k.2. Hospital Environment	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$0	\$19,672
l.2. Interior Finishes	\$0	\$1,036	\$0	\$0	\$0	\$1,036	\$0	\$0	\$0	\$0	\$0	\$0	\$2,071
Total by building	\$0	\$7,950	\$19,684	\$3,935	\$8,146	\$4,970	\$7,923	\$26,878	\$1,036	\$4,349	\$0	\$0	\$54,671

Each department maintains the model, with the capability of summarizing information at both the department and citywide level. The model has a great deal of built-in flexibility that allows the city to enter new data and even change the underlying assumptions in future years.

The FY 2009-2018 Capital Plan reflects renewal data collected from August through December 2007, and includes detailed information for each General Fund department. These findings are summarized in the renewal graphs and the renewal line of the financial summary schedules for each of the General Fund service areas found in Section II of this report.

Assumptions

- The Plan assumes an annual escalation rate of five percent for all projects unless otherwise noted.
- Fiscal years (FY) in the Plan refer to the calendar year in which the City's July 1 to June 30 budget cycle ends. For example, FY 2010 equals the calendar year dates from July 1, 2009 to June 30, 2010.
- Dollars are listed in thousands for all financial schedules unless otherwise noted.
- For all proposed General Obligation bonds, the financial schedules show the total bond amount in the fiscal year during which the bond is to be approved by voters. For example, a G.O. bond proposal on the November 2009 ballot will appear in FY 2010 of the financial schedule.
- The General Obligation bond program assumes annual growth in Net Assessed Value (NAV) of 4.5 percent.

- When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels. In other words, new G.O. bonds will only be used as a funding source when existing approved and issued debt is retired and/or the property tax base grows only issues new bonds when old ones are retired..
- The General Fund Debt program assumes that the amount of General Fund revenues spent on debt service will not exceed 3.25 percent.
- The Pay-as-you-go program assumes only General Fund revenue sources.

C. General Terms

Commonly used terms throughout the Plan are defined below.

- **Routine Maintenance.** Projects provide for the day-to-day maintenance of existing buildings and infrastructure, including labor costs. Unlike renewals and enhancements, these are annual projects.
- **Renewals.** Investments to preserve or extend the useful life of facilities and infrastructure. Examples of renewal projects include the repair and replacement of major building systems including the roof, exterior walls and windows, and heating and cooling systems; street resurfacing; and the repair and replacement of infrastructure in the public right-of-way, including sidewalks and street structures.

Since renewal projects tend to be smaller investments compared with investments needed to replace entire facilities, the proposed plan funds the majority of these needs through pay-as-you-go cash revenue sources, typically appropriated through the City's annual budget process.

- **Enhancements.** Investments that increase an asset's value or useful life and/or change its use. These typically result from the passage of new laws or mandates, functional changes, or technological advancements. Examples include purchasing or building a new facility or park; major renovations of or additions to an existing facility; accessibility improvements to comply with the Americans with Disabilities Act (ADA); and planting new street trees.

While enhancements can be small-scale projects such as the removal of barriers to comply with ADA requirements, these typically are large-scale, multi-year, projects such as renovations, additions, or new facilities. While some project costs can be funded with pay-as-you-go sources, most enhancements require debt financing through the issuance of General Obligation (G.O.) bonds, Certificates of Participation (C.O.P.s) or lease revenue bonds.

- **Job Years.** This is defined as one year of full-time work. For example, three people employed for five years represent 15 job years.
- **Pay-As-You-Go.** This refers to the funding of capital projects with current revenue on an annual basis rather than long-term debt. Pay-as-you-go projects are typically funded by General Fund revenues.
- **Capital Project.** A capital projects is a major construction and improvement project, including the planning and design phases, such as the resurfacing of a street, the construction of a new school, bridge, or community center.
- **General Obligation Bonds (G.O. Bonds).** A general obligation bond is a municipal bond backed by property

tax revenues. G.O. Bonds are appropriately used for the construction and/or acquisition of improvements to real property broadly available to the residents and visitors of San Francisco.

- **Debt Service.** The annual payment of principal and interest on the City's bonded debt.
- **Certificates of Participation (COPs).** COPs are a commonly used form of lease financing for capital improvement projects or purchases of essential equipment in which the debt service on the financing is secured by an underlying lease structure.
- **Revenue Bond.** A bond issued by the City to build, acquire, or improve a revenue-producing property. Unlike G.O. bonds, which carry the full faith and credit of the issuing agency and are repaid primarily through property tax revenues, revenue bonds are repaid from a specified revenue source, usually the revenues from the facility for which the bond was originally issued.
- **Deferred Project.** These are projects not funded in the Plan either due to lack of funding or the timeline of the project falling outside of the ten-year planning cycle.
- **Emerging Need.** These are projects not funded in the Capital Plan because additional planning is needed or significant uncertainty around project-specific issues still exists.
- **General Fund.** The largest of the City's funds, the General Fund is a source for discretionary spending and funds many of the basic municipal services such as public safety, health and human services, and public works. Primary revenue sources for the General Fund include local taxes such as property, sales, payroll, and other taxes.
- **General Fund Department.** These departments rely primarily or entirely on the General Fund as a revenue source to provide City services. The General Fund departments included in the Plan are the California Academy of Sciences, Asian Art Museum, Arts Commission, Department of Emergency Management, Department of Public Health, Department of Public Works, Department of Technology, District Attorney's Office, Fine Arts Museum, Fire Department, General Services Agency, Human Services Agency, Juvenile Probation, Police Department, Public Library, Recreation and Parks Department, Sheriff's Department, Superior Court of California, and the War Memorial and Performing Arts Center.
- **Enterprise Department.** Departments that do not require a General Fund subsidy because they generate their own revenues from fees and charges for services. The City has four Enterprise departments: Public Utilities Commission, San Francisco International Airport, Port of San Francisco, and the Municipal Transportation Agency.
- **External Agency.** These departments are separate, autonomous entities and operate outside the jurisdiction of the City and County of San Francisco.
- **Assessed Value.** The dollar value assigned to individual real estate or other property for the purpose of levying taxes. *Net Assessed Value* is the total growth of real estate or other property across the entire City.

ONESF

Building Our Future

This FY2011-2020 Capital Plan represents the City's commitment to building a stronger future.

There's only one San Francisco. Let's take care of it.

ONE PLAN | ONE CITY | ONESF

